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PUERTO RICO'S DEBT CRISIS: THE RESULT OF COLONIALISM

by Nicole Bernier, Esq.



Over a year after Hurricane Maria devastated Puerto Rico on September 20, 2017, the impoverished island continues to lack basic services. It is timely to discuss the role played by the United States (and the Puerto Rican Constitution imposed by Washington, D.C.) in the legal, financial and legislative history of Puerto Rico.

The long and complex history of the United States-Puerto Rico relationship can be summarized by tracking certain key federal legislation, mainly the Foraker Act of 1900; the Jones Act of 1917; Public Law 600, adopted in 1952, which established the concept of a "Commonwealth" of Puerto Rico; and, finally, the 2016 enactment of the Puerto Rico Oversight, Management, and Economic Stability Act, or "PROMESA," to address the island's economic distress. Regardless of the legal framework, U.S. policy for Puerto Rico has been, and continues to be, designed to exert U.S. sovereignty over people who do not have full voting representation in the U.S. House, Senate or Electoral College. The U.S. Congress, following doctrines conceived over 100 years ago in the midst of boundless U.S. colonial control over newly acquired territories, continues to intervene in Puerto Rico's internal affairs and, as evidenced by the enactment of PROMESA, decide the fate of Puerto Rico and its people.

The impact of Puerto Rico's colonial status speaks for itself: a George Washington University study estimated the death toll from Hurricane Maria at 2,975 (also the official Puerto Rican government figure); a Harvard University study found the death toll in the aftermath of the storm could reach 8,000. The storm damaged or destroyed more than 300,000 homes and left 3 million people without power.¹ Relying on a transmission grid that had not changed substantially since the 1950s, Puerto Rico's power grid collapsed under the assault of Hurricane Maria, and electricity was not restored for nearly a year, contributing to thousands of deaths.² With over 40% of the population living below the poverty line *before* the storm,³ a year after Maria, 45,000 homes were still waiting for federal government aid to fix their roofs.⁴ FEMA denied help to 58% of the 1.1 million households that requested it; of those who appealed, 75% were rejected again. The median grant given to repair homes was \$1,800, compared to about

\$9,127 paid out to survivors of Hurricane Harvey in Texas, according to a *New York Times* analysis.

All told, FEMA spent nearly twice as much for housing repair grants in Texas as it did in Puerto Rico.⁵ On August 8, 2018, the Puerto Rican government submitted a report to the U.S. Congress, estimating that it will take \$139 billion to fully recover from the effects of Hurricanes Irma (September 6, 2017) and Maria.

Background

As a result of the Spanish-American War in 1898, Spain ceded Puerto Rico to the United States. In the Treaty of Paris, the United States, without Puerto Rico's input during its negotiations, agreed by signing that "the civil rights and political status of Puerto Rico's inhabitants... shall be determined by the Congress."⁶ Shortly thereafter, the United States enacted the Foraker Act of 1900.⁷ This statute, along with the set of "Insular Cases,"⁸ established a classic colonial relationship, in which all power emanated from the federal government. Through the Insular Cases, the U.S. government established that the United States Constitution does not follow the flag (i.e., that full constitutional protection of rights does not automatically, or *ex proprio vigore*, extend to all places under U.S. control).⁹ The Insular Cases also gave way to the doctrine of incorporation, which held that the U.S. Constitution applied fully only in incorporated territories, and that Puerto Rico was an "unincorporated territory,"¹⁰ such that the Constitution applied only partially.

The Foraker Act took away many of the liberties Puerto Rico had managed to gain with Spain's adoption of the Autonomic Charter of 1897.¹¹ It provided that the insular governor, his cabinet (which also served as the upper house of the insular legislature), and the justices of the supreme court of Puerto Rico all be appointed by the President of the United States, subject to Senate confirmation.¹² Only the lower house of the insular legislature was popularly elected, and all local legislation set out by this body would be subject to veto by the governor and ultimately Congress. Federal laws were applied automatically to Puerto Rico, except where Congress made them locally inapplicable.¹³ Puerto Rico was allowed an observer in the U.S. House of Representatives with the title of "Resident Commissioner,"¹⁴ who, to this day, has no voting power. Most importantly, Puerto Rico lost the right to government by consent of the governed: the Autonomic Charter was not amendable except at the request of the insular parliament, while the Foraker Act was subject to the unilateral will of Congress.

In 1917, the United States adopted the Jones Act of 1917¹⁵ (not to be confused with the Merchant Marine Act of 1920,

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U.S. Government Photo in the public domain

Aerial view of devastation in Puerto Rico from Hurricane Maria, which made landfall on September 20, 2017.

which is also commonly known as the Jones Act). The 1917 Jones Act granted U.S. citizenship to Puerto Ricans¹⁶ and provided for certain measures of self-government, including the addition of a popularly elected senate to Puerto Rico's legislature.¹⁷ However, all measures of self-government provided under the Jones Act were subject to strong limitations. Principally, the President maintained the power to appoint the governor of Puerto Rico and other important positions within the local government structure, such as attorney general, commissioner of education, and justices of the Supreme Court. Additionally, the U.S.-appointed governor retained veto powers and the President had final approval rights to any Legislative Assembly. Finally, Congress still had power to annul any insular law at any time. The Jones Act was far from suggesting any constitutional incorporation. As stated by Chief Justice Taft in his decision in *Balzac v. Porto Rico*,¹⁸ it simply

*enabled Puerto Ricans to move into the continental United States and become residents of any State there to enjoy every right of any other citizen of the United States, civil, social, and political.*¹⁹

It was clear that Puerto Rico was not being groomed for independence (like the Philippines), nor for statehood (like Hawaii).

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The Jones Act instead reaffirmed the decision to keep Puerto Rico as an increasingly Americanized colony, forever on the road to self-government, but subject to the dominion of the United States. The U.S.'s interest in maintaining this sort of political limbo time and time again is also evident: U.S. corporate interests could extract great economic benefit without much accountability for how it is done. Enormous wealth was extracted from Puerto Rico in the early 1900's by the U.S. sugar industry. These profits were not reinvested in Puerto Rico's infrastructure or people. Sugar cane workers were paid less than half of the average wages paid in the U.S. mainland at the time. The population on the island was mostly landless and lived below the poverty level, but high returns were reaped by absentee U.S. mainland enterprises.

The U.S. government then adopted the Merchant Marine Act of 1920,²⁰ also known as the "Jones Act" or the Law of Cabotage, which required all maritime cargo transported to and from the U.S. mainland between U.S. ports to be carried on U.S.-built ships and manned by U.S. crews.²¹ Though on its face not directed solely at Puerto Rico, it placed the island's products at a competitive disadvantage vis à vis the contiguous United States, due to the higher transportation costs that using U.S. vessels and crews represented. As a consequence, Puerto Rican sugar was priced out of the highly competitive sugar market. However, Puerto Rico remained a captive market of the U.S., and nearly all of its exports went to the U.S. mainland. The majority of goods purchased and consumed in Puerto Rico come from the U.S., and all of these products are overpriced due to the controls dictated by the Jones Act. The relationship was a pure example of colonialism, which can arguably be defined as the practice by which a powerful country directly controls less powerful ones and uses their resources to increase its own power and wealth.

The Appearance of De-Colonialization

By the 1950's, fresh out of World War II and on the world's center stage, the United States did not want to be known for having control over a colony. In 1947, Public Law 362, commonly known as the Elective Governor

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Act, finally granted the people of Puerto Rico the power to elect their own governor.²² In addition, with the adoption of Public Law 600²³ in 1950, which provided that Puerto Rico could adopt its own constitution, came the U.S.'s unrelenting efforts to have Puerto Rico removed from the United Nations' list of non-self-governing territories, under article 73e of the United Nations charter. Public Law 600, known as the Puerto Rico Federal Relations Act, effectively amended the Jones Act of 1917, providing for the adoption of a Puerto Rican Constitution, that is, if approved by Congress.²⁴

The preamble to Public Law 600 states that the Act was "adopted in the nature of a compact."²⁵ This concept of a "compact" between Puerto Rico and the United States was heavily emphasized at the United Nations and eventually, after persistent diplomatic efforts by the U.S., led to the General Assembly of the United Nations removing Puerto Rico from the list of non-self-governing territories. However, the clear intent behind Law 600, as evidenced by statements before the House and the Senate prior to adoption of the bill, was that "it would not alter the powers of sovereignty acquired by the United States over Puerto Rico under the terms of the Treaty of Paris."²⁶ Demonstrating its perceived level of oversight over Puerto Rico's affairs, the proposed Puerto Rican Constitution was subjected to stringent review by Congress, and its terms amended to Congress's liking, such as the inclusion of restrictions on amendments to the Constitution that are inconsistent with laws already in place.²⁷

In addition, two recent cases shed more light on what rights and autonomy the U.S. considers Puerto Rico to hold. In 2016, the Supreme Court of the United States weighed in on the status of Puerto Rico in *Puerto Rico v. Sanchez Valle*²⁸ and *Puerto Rico v. Franklin California Tax-Free Trust*.²⁹ In *Sanchez Valle*, the U.S. Supreme Court held that Puerto Rico would violate the double jeopardy clause of the U.S. Constitution if it tried someone pursuant to a Puerto Rican criminal statute for a crime for which the defendant had already been tried under federal law. The Court decided the case on narrow grounds, stating that

Puerto Rico was not afforded the "separate sovereign"³⁰ exception to the Fifth Amendment's Double Jeopardy Clause, which U.S. states have. The Court's majori-

ty opinion, written by Justice Elena Kagan, stated that the ultimate source of Puerto Rico's prosecutorial power authority is the U.S. Congress, unlike the States, which are the "ultimate source" of their own prosecutorial power under the 10th Amendment.³¹

In *Franklin California*, the Court held that Puerto Rico is not a "State" for purposes of the Federal Bankruptcy Code's "gateway" provision governing who may be a debtor, and thus Puerto Rico cannot authorize its municipalities to seek relief under Chapter 9 of the Code. However, Puerto Rico is a "State" for other purposes related to Chapter 9, including that chapter's preemption provision, such that the Code preempted Puerto Rico's Recovery Act, which it had enacted in order to try to address the financial crisis on the island. Justice Sonia Sotomayor wrote a dissent in which she argued that each of the provisions of the Bankruptcy Code must be read within the context of the whole Code. Crucially, the language of the Code also

meant that the only way to solve Puerto Rico's fiscal crisis was for Puerto Rico to pass the kind of statute that it did or wait for direct Congressional action. Notably, of Puerto Rican descent herself, Justice Sotomayor stated that "[s]tatutes should not easily be read as removing the power of the government to protect its citizens."³² Justice Ruth Bader Ginsburg joined in the dissent.

These cases serve to illustrate how the U.S. manages to cherry-pick what rights to self-government Puerto Rico actually has, not only through acts of legislation or through executive power, but through decisions by the judicial branch as well. The ambiguity caused by the U.S.'s characterization of Puerto Rico's status as an "unincorporated territory" has given the U.S. free rein to perpetuate the inherent inequality between the U.S. citizens who reside in Puerto Rico and those in the rest of the country, as well as to continue the financial crisis on the island.

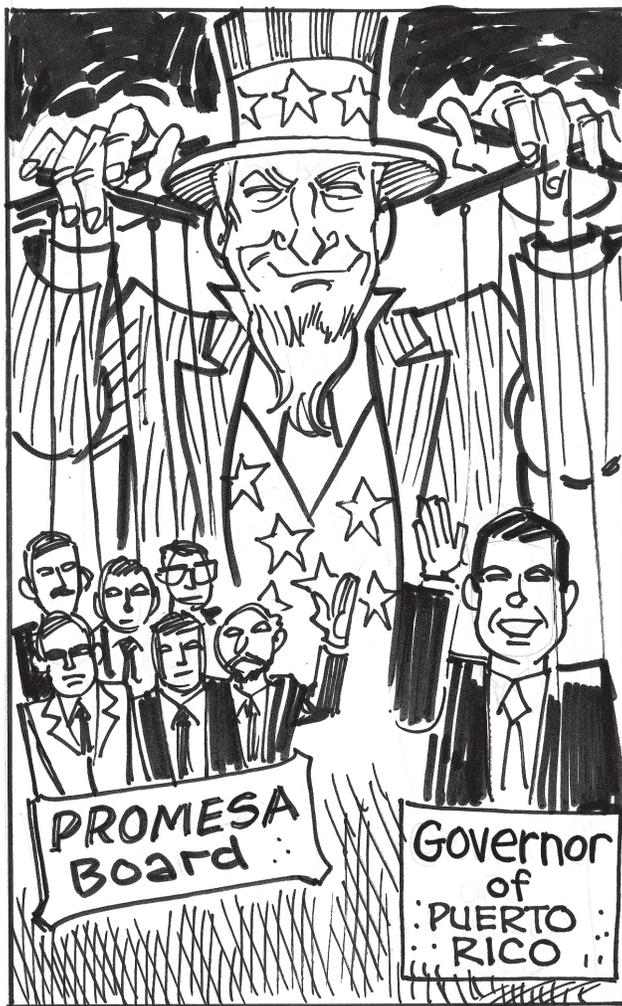


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Quickly following the two decisions, Congress enacted PROMESA,³³ which established a Financial Oversight and Management Board (commonly referred to as “la Junta”) to address the government’s financial crisis.³⁴ Puerto Rico’s public debt reached approximately \$72 billion, not including the approximately \$164 billion that the Puerto Rican government has in deficits to its public health system and government employee pension plans. A discussion of the conditions giving rise to Puerto Rico’s financial crisis is necessary.

Puerto Rico’s Collapse

Puerto Rico experienced a period of economic growth when, in 1976, Congress enacted Section 936 of the Internal Revenue Code,³⁵ which provided favorable tax incentives to U.S. manufacturing companies that established themselves in Puerto Rico. This caused an influx of multinational corporations, particularly pharmaceutical companies, which created jobs in manufacturing operations on the island. These corporations found certain loopholes in the law, avoiding paying as much as \$2.3 billion in taxes to the U.S. in a single year. Congress closed this loophole by repealing section 936 in its entirety in 1996. Similar to the absentee sugar industry in the early 1900s, very little, if any, of the real wealth generated by these U.S. corporations remained within the island, and once the incentives for these industries to remain on the island disappeared, so did their presence and the local jobs created by them.

Following the exodus of these “Section 936 corporations” from Puerto Rico, a solid foundation of the local economy for decades, the local economy began to collapse under pressure. Many factors, such as the emigration of a large percentage of its citizens (and therefore

its tax base) to the mainland United States, as well as the local government’s need to sustain the social services in the areas of education and health that its electorate was receiving, fueled by the U.S. Government’s discriminatory treatment of Puerto Rico in allocating its subsidies (the island receives only a fraction of the federal support extended to its mainland counterparts on a *per capita* basis), contributed to the need for the Puerto Rican government to borrow extensive funds. Over the years, rating agencies progressively downgraded Puerto Rico’s debt until it reached junk status in 2014, triggering acceleration clauses and increased cost of borrowing to pay for the accelerated debt, and reducing the island’s access to capital. As a result, the island began to issue triple tax-exempt bonds. The government, through the Puerto Rico Urgent Interest Fund Corporation (also

known as COFINA, its Spanish acronym) began issuing COFINA bonds, which are funded by sales and use tax. These bonds ultimately pass on the debt to the Puerto Rican consumer, diminishing their purchasing power, while providing attractive investment opportunities to municipal bond investors.

That’s when so-called “vulture” funds stepped in. This is the name given to financial institutions, such as hedge funds, that purchase distressed public debt at deep discounts and then litigate aggressively with those governments to extract as much as possible in repayment. The effect of vulture loans has been discussed in this publication’s October 2015 article titled “‘Vulture’ Loans Threaten Developing Nations,” by Amanda Reid, Esq., which highlights the case of Argentina, a famous example of how these vulture loans work out in real life. In that case, a small group of funds bought up sovereign debt for pennies on the dollar following a major economic crisis in Argentina. The hedge funds aggressively sued Argentina — even after 93% of its creditors had agreed to a debt restructure framework. The hedge funds then extracted huge returns as they successfully demanded that the country repay them the face value of the bond plus high interest payments. One vulture firm saw a profit of 1,600% on its investment as a result of the decision by Judge Griesa in the U.S. District Court, Southern District of New York.

Unlike Argentina, Puerto Rico isn’t sovereign. But because Puerto Rico had no access to bankruptcy relief under U.S. law, PROMESA provided for the bankruptcy-like court process now playing out in the Southern District of New York. As a consequence of the restructuring deals that the Puerto Rican government is making, COFINA bondholders stand to make between 100% and 150% in gains while the island

struggles to stand on its feet and rebuild in the wake of Hurricane Maria.

PROMESA

The unilateral formulation of PROMESA and the provisions therein make clear that Puerto Rico's colonial situation has remained intact since 1898. There should be no doubt that, despite the illusion of self-government given by the establishment of a "Commonwealth," Congress does not view it as a "compact" with Puerto Rico. The language in the Act establishes that it prevails over all territorial laws, state laws and regulations inconsistent with this statute.³⁶ Section 101 establishes the Financial Oversight and Management Board as "an entity within the territorial government" of Puerto Rico tasked with developing "a method for Puerto Rico to achieve fiscal responsibility and access to the capital markets."³⁷ Composed of seven members, appointed by the President from among recommendations by the House and Senate, it has unfettered powers granted by PROMESA. Although it was established as an entity within the territorial government, neither the Governor nor the local Legislature may exercise any oversight or control over the Board, nor enact any legislation, policy or rule that would impair or defeat the purposes of PROMESA "as determined by the . . . Board."³⁸ Further, Section 201(c)(3) of PROMESA provides the Board with "sole discretion" to determine whether a proposed fiscal plan satisfies the requirements of PROMESA.³⁹ As per commentary in the legislative history of PROMESA, the Board "may incorporate any recommendations — even those not adopted by the Legislature or Governor — into the development of Fiscal Plans."⁴⁰ Any fiscal plan certified by the Board is "deemed approved by the Governor."⁴¹ Finally, PROMESA establishes that

the expenses of the Board, which are determined at its "sole and exclusive discretion,"⁴² are to be funded by Puerto Rico's tax payers. The Board's executive director's annual salary is over half a million dollars.

In an opinion and order of U.S. District Judge Laura Taylor Swain, who is overseeing the bankruptcy-like procedures, the court seems to follow the notion that Congress, not the Puerto Rican government, is the ultimate source of power, stating that "[a]lthough this governance structure infringes on the scope of the authority of the elected Government, it was nonetheless contemplated and written into law by Congress."⁴³

In stark contrast to the returns on investments and the huge amounts of corporate interests at stake in this restructuring process totally made up by, and under the control of the U.S. government, are the effects of the austerity measures imposed by the Board on the island's population. These austerity measures include automatic workforce reductions, employee benefits reduction and university campus closures, among other draconian measures. The Board has also executed various tactics to force the Puerto Rican government to comply with these measures, going so far as to adopt a Special Resolution intended to impose criminal penalties on government officials who do not comply with the measures certified by the Board. The Board and PROMESA effectively render the Government powerless to determine appropriate debt relief measures.

Currently, the island faces a shortage of emergency rescue personnel and other key public services, as doctors continue to emigrate. Reduction in the police force has caused safety concerns. More people are faced with the difficult prospect of having to move in search of a better quality of life. Approximately a quarter of the schools on the island have closed. The statistics amount to a humanitarian crisis. All the while the island's taxes pay the Board for its work.

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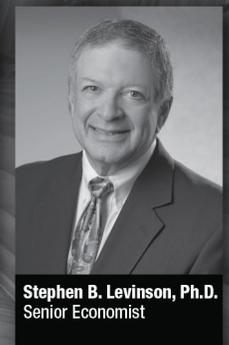
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Following the passing of Hurricane Maria, while people were left without food, shelter or power for months, reports indicated that the amount of debt owned by these vulture funds increased. There is also ample reason to suspect that at least some of the federal recovery funds will be used to pay off those bondholders rather than going to much-needed rebuilding and healthcare efforts on the island.

According to court filings made public as a result of ongoing debt negotiations, several hedge funds have bought up massive amounts of Puerto Rican bonds in the year following Hurricane Maria, after which prices dropped. GoldenTree Asset Management, a bondholder of COFINA — owned \$587 million worth of Puerto Rican government bonds before the storm, as noted in a filing dated August 18, 2017. As of another filing almost exactly a year later, the company owned \$1.5 billion.

Tilden Park Capital Management, another COFINA creditor, increased the value of its holdings by \$370 million over the same period. General obligation bondholders Aurelius Capital Management and Monarch Alternative Capital have increased their holdings from \$39 million before the storm to \$488 million as of the last filing. (Aurelius and Monarch both also hold some COFINA bonds.)⁴⁴

Puerto Rico is now being marketed as a cryptocurrency haven. The possibilities for exploitation are endless.

As one U.N. expert frames the issue:

*The aim must be to bring Puerto Rico's public debt down to levels that are not only financially, but also socially sustainable. The Board must ensure that economic, social and cultural rights are not undermined by giving absolute priority to creditors' rights and by imposing excessive austerity.*⁴⁵

Fiscal consolidation measures must guard individuals and groups in situations of vulnerability and should never violate core human rights obligations. Minimum wage, access to basic healthcare and safety, as well as the guarantee of a decent living for workers and families are main core obligations each State adheres to. Forcing Puerto Rico to not be able to provide these displays the discriminatory nature of austerity measures on the

island. PROMESA provides for a government-sanctioned blurring of the line between austerity measures and human rights violations.

There seems to be little room for doubt that the Special Political and Decolonization Committee of the United Nations would conclude that the island of Puerto Rico is no longer a self-governing territory, if it ever was one. The General Assembly of the United Nations, which in 1953 removed Puerto Rico from the list of non-self-governing territories at the behest of the United States, should revisit this issue. The U.S. government has used Puerto Rico as a political, economic and even military testing ground. La Junta is currently in negotiations with the vulture funds for Puerto Rico's debt relief. Close attention is needed to understand how the U.S. government's legal, financial and legislative history of colonial exploitation repeats itself. The topic of Puerto Rico's restructuring is not widely publicized, and the work seems to be done behind closed doors. The solutions presented by PROMESA and its Board do not aim to resolve the deeper issues Puerto Rico faces, while the legislation put forth places priority on economic interests over human rights interests. Publications such as this one do well in creating awareness of these realities.

As for Puerto Rico's debt, the U.S. government has continued to exert broad-sweeping governing power over the island of Puerto Rico. Perhaps, then, if Puerto Rico's "ultimate source" of power is the United States Congress, as determined by the U.S. Supreme Court, Congress itself should be held accountable for the island's massive public debt.

1. Jeff Goodell, "The Perfect Storm: How Climate Change and Wall Street Almost Killed Puerto Rico," *Rolling Stone*, 9/12/18.

2. *Id.*

3. Nicole Acevedo, "A year after Hurricane Maria, Puerto Ricans rebuild amid setbacks," *NBC Latino*, 9/18/18.

4. Peter S. Green, "Puerto Rico's Grim Prognosis: The Island May Never Recover," *CBS News*, 9/21/18.

5. Frances Robles and Jugal K. Patel, "On Hurricane Maria Anniversary, Puerto Rico is Still in Ruins," *The New York Times*, September 20, 2018.

6. *Treaty of Peace between the United States of America and the Kingdom of Spain, Spain-U.S., Dec. 10, 1898, Art. IX, 30 Stat. 1754, at 1759.*



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7. Ch. 191, 31 Stat. 77 (1900) (hereinafter referred to as the Foraker Act).
8. "Insular Cases" is the name given to a set of U.S. Supreme Court decisions that ruled on the constitutional questions concerning the U.S. territories, which established the status of the inhabitants and local governments therein.
9. See *Downes v. Bidwell*, 182 U.S. 244 (1901).
10. See *Id.*, 182 U.S. at 346-47 (Gray, J., concurring).
11. Charter issued by Spain on November 25, 1897 granting autonomy to Cuba and Puerto Rico, which Spain passed under pressure from the U.S., concerned about its sugar interests, to address the volatile situation in Cuba where freedom fighters were battling for independence. The charter granted Puerto Rico a local parliament with two chambers, the House of Representatives, elected by universal suffrage, and the Council of Administration. This did not stop the U.S. from instigating the Spanish-American War in 1898 and in the Treaty of Paris (December 10, 1898), Spain ceded Puerto Rico (along with Cuba, Guam and the Philippines) to the United States.
12. Foraker Act, ch. 191, §§ 17-18, 27, 33, 31 Stat. at 81-84.
13. *Id.* § 14, 31 Stat. at 80.
14. See *id.* § 39, 31 Stat. at 86.
15. Ch. 145, 39 Stat. 951 (1917).
16. Jones Act, § 5, 39 Stat. at 953. The grant of U.S. citizenship to Puerto Ricans was not a widely accepted concept among the U.S. Senate at the time. However, its adoption allowed the U.S. government to maintain the status quo while effectively discouraging the thought of eventual independence and to appease those who had grown dissatisfied with the Puerto Rico-United States relationship.
17. *Id.* § 26, 39 Stat. at 958-59.
18. 58 U.S. 298 (1922).
19. *Id.* At 308.
20. Merchant Marine Act of 1920, ch. 250, 41 Stat. 988 (as amended).
21. *Id.*
22. It was widely discussed at the time, and likely the reason why this statute was approved, that Congress could at any time in the future revoke this statute. See *Puerto Rico Constitution: Hearings on H.R. 7674 and S. 3336 before the H. Comm. on Pub. Lands*, 81st Cong. 33 (1950).
23. Act of July 3, 1950, ch. 446, § 4, 64 Stat. 319 (codified at 48 U.S.C. § 731e note (2012)).
24. *Id.* § 3, 64 Stat. at 319.
25. *Id.* Pmbl., 64 Stat. at 319.
26. Juan R. Torruella, *Commentary, Why Puerto Rico Does Not Need Further Experimentation with Its Future: A Reply to the Notion of "Territorial Federalism,"* 131 *Harvard L. Rev. F.* 65 (2018), <https://harvardlawreview.org/2018/01/a-reply-to-the-notion-of-territorial-federalism/>, at 80.
27. See *Id.* at 81-83.
28. 136 S. Ct. 1863 (2016).
29. 136 S. Ct. 1938 (2016).
30. *Sanchez Valle*, 136 S. Ct. at 1876.
31. See *Id.* at 1875.
32. *Franklin California*, 136 S. Ct. at 1954 (Sotomayor, S., dissenting).
33. *Puerto Rico Oversight, Management and Economic Stability Act*, Pub. L. No. 114-187, 130 Stat. 549 (2016) (codified at 48 U.S.C.A. §§ 2101-2241 (West 2017)).
34. *Id.*, 2121(a)(1).
35. I.R.C. § 936(a)(1) (1976) (repealed 1996).
36. 48 U.S.C.A. § 2103 (West 2017).
37. 48 U.S.C.A. §§ 2121(a), (c)(1) (West 2017).
38. *Id.* § 2128(a).
39. *Id.* § 2141(c).
40. 162 Cong. Rec. S4690-02, S4695 (June 29, 2016) (Statement of Sen. Menendez), reprinted in 2016 WL 3544524.
41. 48 U.S.C.A. § 2141(e)(2).
42. *Id.* § 2127(b)(1).
43. *In re Financial Oversight and Management Board for Puerto Rico*, ___ F.Supp.3d, Adv. Proc. No. 18-080-LTS in 17-BK-3283-LTS, 2018 WL 4162625 (Aug. 7, 2018 D.P.R.), at 12.
44. Kate Aronoff, "Vulture Funds Stand to Make Millions in Wake of Hurricane Maria," *The Intercept*, September 28, 2018.
45. *Puerto Rico's Debt Crisis: UN Expert Warns Human Rights Cannot be Side-Lined*, <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=21060&LangID=E> (last visited Nov. 7, 2018).





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