



Message from the Governor of Puerto Rico
Ricardo Rosselló
May 16, 2019

Brothers and sisters of Puerto Rico,

Once again, the Financial Oversight and Management Board unfairly and unnecessarily threatens our people. On this occasion, again, the threat is against the pensioners of our public service, affecting over 170,000 of our retirees.

I want to begin my words by reiterating that I am opposed to this unjustified attack against an important sector of our population.

More than 70,000 retirees receive a pension of a thousand dollars or less a month. More than 120,000 receive two thousand dollars or less a month. Who can expect these pensioners to live with less? Many already have difficulties making arrangements to pay for their medicines, food, home, electricity, and water.

We must not forget that the previous administration already hurt our pensioners by eliminating payments for their medical insurance, by eliminating their Christmas bonus and summer benefits, and drastically reducing future retirees of their right to a fair retirement.

By 2017, the retirement systems did not have enough funds to pay the retirees who, for decades, worked tirelessly as public servants. That is why we approved Act No. 106, so that the general fund would be in charge of complying with those who complied with Puerto Rico.

The cuts to pensions proposed by the Board are unjustified. We have generated savings of \$1.4 billion precisely to make pension payments.

These adjustments have allowed us to allocate about \$2.5 billion for the total payment of each pension in all our budgets.

The savings that we have achieved in our Government constitute the largest cut that has been made to an operational budget in the modern history of the United States.

We have taken dramatic and unprecedented measures to stabilize the catastrophic state in which we found our public finances, avoiding the total collapse of the Puerto Rican economy. On the contrary, from this critical situation, today we are in clear recovery, as evidenced by the main economic parameters.

Now that our economy is clearly recovering; as we begin to receive important investments from the private sector in our Island; and while the unemployment rate in Puerto Rico decreases, the Board puts obstacles to our progress.

The erratic actions of the Board—changing and objecting to fiscal plans that are helping Puerto Rico recover—would only paralyze our government and harm the people.

We can work with the Board in a common goal: to restore the finances of the Government and to stimulate the Puerto Rican economy. This is possible without having to impose abusive measures that affect the essential services and the quality of life in our Island.

Given the savings and control spending we have implemented in the Government, the pension cuts that the Board intends to impose are an ideological obsession, totally unnecessary.

I repeat: We have already taken the necessary measures to save pensions, acting with fiscal responsibility. It is unnecessary. The Board must understand that public policy is the responsibility of the elected government of the People of Puerto Rico.

The effect of the proposed cut on pensions would cause a social crisis, with serious repercussions on trade and the economy.

Hitting pensioners is, in addition to unfair, bad fiscal policy. Attacking the most vulnerable while the cost of living increases would have the effect of the Government having to assist that population. The cuts proposed by the Board do not make sense. It constitutes an attack on everyone in Puerto Rico.

Facing the abuse of the Board to our people, I summon all sectors of our society, including political parties, to join me in defense of pensioners in Puerto Rico.

I will go to all necessary forums to demonstrate that this blow is unjustified. I do not rule out any action in defense of our pensioners.

In practically all Puerto Rican families there are retirees who gave their best days to Puerto Rico. We must defend them because it is the right thing to do.

You have granted me the privilege of serving as your governor. Fate confronts us with difficult and complex situations for Puerto Rico. Today, I ask unity of purpose from you, so that we defend our pensioners together and continue the agenda of changes that will transform Puerto Rico.

Injustice and abuse cannot be imposed on a noble and brave People, if they exercise their right to fair treatment with determination.

I will not be a participant in the suffering that thousands of Puerto Rican families would have with the pension cuts. Let us go together to give that battle!

May God bless Puerto Rico.

Good afternoon.