

PROGRESSIVE PRINCIPLES FOR REBUILDING PUERTO RICO AND THE U.S. VIRGIN ISLANDS

Almost two months have passed since Hurricanes Irma and Maria pummeled Puerto Rico and the U.S. Virgin Islands, causing massive damage and leaving communities without electricity or access to health care and clean drinking water.

In addition to addressing the immediate humanitarian needs, Congress must ensure that these territories not only recover, but that they are able to rebuild in a way that empowers them to thrive. We must confront the difficult reality that we have neglected these territories, and the U.S. citizen residents who live there, and allowed them to fall behind in every measurable social and economic criteria.

A progressive comprehensive recovery for the Puerto Rico and the U.S. Virgin Islands must:

- **Address the Immediate Humanitarian Crisis.** The federal government must mobilize all necessary resources and assets to restore power, provide clean drinking water and food, safe shelter, and access to health care. Logistical challenges should not be a barrier to end the immediate suffering of U.S. citizens.
- **Provide Disaster Recovery Assistance without putting the Territories Further in Debt.** Puerto Rico and the U.S. Virgin Islands are already grappling with unsustainable debt. Congress must waive the 25% non-federal cost share usually required for most FEMA Public Assistance and hazard mitigation, just as was done after disasters of this scale. FEMA should also provide assistance for upfront costs for repairing or replacing eligible facilities. Any loans made through FEMA's Community Disaster Loan program to maintain basic government operations should be forgiven in whole, given the loss of normal government revenues.
- **Reject Privatization Efforts.** Efforts are already underway to use the devastation as an excuse to privatize the electric grid, but other services like education, sanitization, roads and bridges could be offered up to the highest bidder. As we saw after Hurricane Katrina, [schools](#), [public](#) housing projects, a [public](#) hospital, and the [public](#) transit system were either privatized or eliminated. Any federal disaster funding provided to the islands should be protected from privatization.
- **Rebuild Smart – Use Disaster Funding to Lay the Groundwork for a Renewable Electric Grid.** The widespread destruction of the grid has created an obligation to rebuild both Puerto Rico and the U.S. Virgin Islands in a more resilient, decentralized way based on local renewable energy. Before the storms, Puerto Rico only has around two percent of its energy from renewable resources. Currently, over 70 percent of the island is still without power. Instead of simply rebuilding an antiquated, centralized and inefficient system dependent on expensive, dirty and imported fossil fuels, the islands should rebuild a modern system that is more resilient, provides less expensive electricity, and creates local jobs.
- **Strengthen Farms and Nutrition.** Puerto Rico had a growing agricultural sector that boasted over 7,000 jobs. Still, the island imported 85% of its food. Hurricane Maria destroyed 80% of crops in Puerto Rico. Many, like coffee, will take years to regrow. Promoting local food production and access to clean water through Community Food Project and Rural Water and Waste Disposal Program Grants is essential as these communities recover. Funding for nutrition programs is needed to ensure access to food. Communities affected by the hurricanes should have the same access to the Supplemental Nutrition Assistance Program.

- **Address Medicaid and Medicare Parity.** The health care systems in the U.S. Virgin Islands and Puerto Rico were inadequate before the hurricanes made landfall. This is largely because Puerto Rico and the U.S. Virgin Islands receive far fewer federal dollars for Medicaid compared to states. Although the federal government provides open-ended federal matching for state Medicaid programs, it caps Medicaid funding for territories. If the federal government funded Puerto Rico's Medicaid program in the same manner as state programs, it would have to cover 83 percent of Puerto Rico's Medicaid costs, not the 55 percent of costs that it covers today. Likewise, citizens in Puerto Rico and U.S. Virgin Islands should be eligible for the same Medicare benefits as the rest of America's seniors like automatic enrollment for Part B and discounted prescription drugs for low-income beneficiaries (Medicare Part D low-income subsidies).
- **Rebuild and Improve the VA Hospital and Clinics.** American in Puerto Rico enroll in the U.S. military at a rate almost twice as high as the rest of the country. The VA Caribbean Healthcare System provides medical care for the more than 150,000 veterans throughout the Caribbean. In addition to the San Juan VA Medical Center, ten additional clinics across Puerto Rico and the US Virgin Islands also serve veterans. While the hospital and most of the clinics are up and running, they continue to need additional supplies and staff.
- **Improve public schools, colleges, and childcare facilities.** In addition to rebuilding damaged schools and childcare facilities, we must face the fact that many of these facilities were inadequate before the storms hit. High school graduation rates in Puerto Rico and the U.S. Virgin Islands are near the bottom for the U.S. Yet, hundreds of public schools in Puerto Rico have been closed because of austerity policies, and schools in the U.S. Virgin Islands are struggling to prepare students for college and future careers. Puerto Rico and the U.S. Virgin Islands have the two of the lowest college graduation rates nationwide. If we want these children to thrive and meet the challenges of the 21st Century economy, we must bring the schools up to standards befitting the United States of America.
- **Invest in Infrastructure and Spur Economic Development.** We have long underfunded the infrastructure of Puerto Rico and the U.S. Virgin Islands, which actually contributed to the severity of some of the damage from Maria and Irma. In addition to rebuilding damaged facilities, we must make a significant investment in the physical infrastructure of these islands to spur the local economy more and create jobs. Long-term infrastructure needs includes not only roads, bridges, and dams, but also transit, broadband, clean drinking water and wastewater plants, schools, and more.
- **Environmental Cleanup.** Puerto Rico and the U.S. Virgin Islands have significant environmental contamination related to the hurricanes, prior pollution, and a legacy of military bombing exercises on Vieques. The islands need detailed funding and remediation of Superfund sites, as well as site prioritization for environmental quality testing of water, soil, and air.
- **Debt Relief.** Puerto Rico is struggling with an unsustainable \$74.8 billion of debt, much of which is held by Wall Street creditors, with an additional \$49 billion in unpaid pension obligations. A small group of hedge fund billionaires have demanded extreme austerity policies to decimate public services, including firing teachers and closing schools. That is unacceptable. Puerto Rico will require substantial debt relief so they can focus on rebuilding, not paying back Wall Street.

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