

November 7, 2017

House Committee on Natural Resources Oversight Hearing

"Examining Challenges in Puerto Rico's Recovery and the Role of the Financial Oversight and Management Board"

STATEMENT OF MAYOR ANGEL PÉREZ BEFORE THE U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON NATURAL RESOURCES

Thank you, Chairman Bishop, Ranking Member Grijalva and all members of the Committee for having convened this hearing and allowing us to share our experiences with the aftermath of Hurricanes Irma and María. I specially recognize our Resident Commissioner who faced the hurricane right there and now is our advocate for recovery.

I come to you as the Mayor of Guaynabo, Puerto Rico, since August 18. As you can see I received a very special welcome to the office.

My municipality is diverse. We do have upper income neighborhoods, arts centers, industry, shopping, a military post, BUT also working class neighborhoods, public housing projects, economically distressed communities and hard to reach rural areas.

In Guaynabo like in all Puerto Rico there was damage to every aspect of infrastructure and the economy. In the immediate aftermath, besides the collapse

of power and communications – and **today we still have 80% of our families without electricity** – our municipality also suffered these major damages:

- 3 bridges washed out and another 4 compromised, resulting in **over 15 families having no vehicular access to their homes.**
- Several partial road collapses
- Most of our rural areas lacking water service due to pumps being off line
- **Three thousand families lost their home or had it severely damaged.**

It was a challenge to respond, but we stepped forward.

From the joint efforts of the Puerto Rico and Federal governments, over thirty thousand families have received food and water supplies (but this has not been always reliable), the city has received ten thousand gallons of diesel fuel (but we use over 3,000 per day), and we are being assisted with final debris disposal by the Corps of Engineers. So, work is being done, and we are grateful for the response from the Administration and Congress.

But more is needed.

For instance, municipalities are first responders **and continuing** responders, being closest to the people. But with most of our businesses closed due to no power or water or fuel, how do we pay our workers and expenses?

Recently Congress passed legislation that provides up to 4.9 billion dollars for liquidity support for Puerto Rico, precisely due to the need to keep basic public services functioning in the face of loss of tax base.

The government of Puerto Rico has been granted almost the equivalent of 20% of its budget to relieve its liquidity needs: the municipalities need in a future legislation the same benefit to continue providing essential services the people need.

Another need is for a disaster housing support benefit that can extend for up to two years. Currently available housing vouchers are too few and too low compared with the number of families who lost their homes.

Another is the easing of FEMA caps on housing rehabilitation, so families may rebuild with greater resiliency. Similarly, an expansion and flexibilization of the CDBG and Section 108 funds so that municipalities can better direct them to the community needs.

In a situation like this, it is important that funds for the relief be guarded and used effectively, when the temptation is to think “it’s an emergency” justifies waste, or worse. But this cannot end with more bureaucracy.

I believe God put me in this trying time at the head of a city of one hundred thousand people, to do them justice and make a difference. You, too, are called upon to do justice and make a difference for the 3.4 million US Citizens in Puerto Rico. It is not a time to just put on patches but to make permanent fixes looking

towards the future. We can't move the Island away from the Caribbean, so Congress and the Administration must move to help our people.

Members of the Committee, federal help has aided Puerto Rico to survive and start a recovery. But more is needed, and I encourage you to listen to our Resident Commissioner, our voice in this city, as she brings forward what are our further needs.

Thank you.