



Financial Oversight and Management Board for Puerto Rico

MEDIA RELEASE

Oversight Board Authorizes Puerto Rico Government to Utilize the Remaining Balance of Emergency Reserve Fund to Fight the Coronavirus

Around \$160 million to be Used For Preparedness and Response

San Juan, PR – March 13, 2020 – The Financial Oversight and Management Board for Puerto Rico today authorized the utilization of additional Emergency Reserve funds from fiscal years 2019 and 2020 as needed by the Government of Puerto Rico through April 15, 2020, without prior Oversight Board approval.

The remaining balance of approximately \$160 million can only be used for Commonwealth emergency expenses related to the COVID-19 virus (Coronavirus), including preparedness and detection, public awareness, and improving the public healthcare sector’s capacity; as well as remaining earthquake-related responses on a case by case basis.

The Emergency Reserve was established in the Certified Fiscal Plan. The Government has previously drawn from the Emergency Reserve following Tropical Storm Dorian last year and the series of earthquakes earlier this year. On March 5, the Oversight Board made available an initial \$5 million from the Emergency Reserve for COVID-19 prevention and preparedness. The Emergency Reserve is funded with \$130 million annually.

“The threat that COVID-19 represents for the people of Puerto Rico is real,” said the Oversight Board’s Executive Director Natalie Jaresko. “The safety of all residents of Puerto Rico is our top priority in this health emergency unprecedented in recent history.”

“The Oversight Board will ensure that the Government and the Task Force created by Governor Wanda Vázquez Garced have the funds necessary to protect the people of Puerto Rico, including funds for public health education and preparedness, and specialized

equipment and personnel training to ensure the Puerto Rico medical system is ready to help residents in need of testing and treatment,” Jaresko said. “We all hope that the situation stabilizes quickly, and the Oversight Board will continue to support Government efforts during this difficult time.”

About the Oversight Board

The Financial Oversight and Management Board for Puerto Rico was created under the bipartisan Puerto Rico Oversight, Management and Economic Stability Act (PROMESA) of 2016. The purpose of the Oversight Board is to provide a method for Puerto Rico to achieve fiscal responsibility and access to the capital markets.

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