

Puerto Rico brings good news on its finances to A.C. conference, by Julio Mendez

Julio Mendez For The Press

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Atlantic City this month hosted the National Governors Association annual conference. The event provided an opportunity for Pedro Pierluisi, the governor of Puerto Rico, to report on the state of the island's economy. And he brought good news.

The governor highlighted an increase in economic activity and business opportunities on the island. Over 100,000 new jobs have been created since he took office. Tourism and construction activity is booming.

New Jersey has the fourth largest population of Puerto Ricans in the United States. Of the 2 million Latinos in the state, about a quarter or over 450,000 are Puerto Ricans.

New Jersey's residents care deeply about the island. They have families and friends who have suffered from the many struggles Puerto Rico encountered in the last decade.

Many lost their homes because of Hurricane Maria and then Fiona, which devastated the island's infrastructure. The people of the island have endured political and economic struggles in addition to the natural disasters. The island faced a bankruptcy crisis, political corruption, electrical outages and the pandemic.

According to Pierluisi, Puerto Rico is overcoming the challenges and “the future is bright.”

There is still work to be done, but the governor’s positive report is welcome news to all New Jerseyans with family or emotional connections to Puerto Rico.

Puerto Rico’s economy hit the lowest point in 2016, when it entered a restructuring process similar to a bankruptcy approved by Congress. The so-called Promesa Act also imposed a fiscal control board to oversee Puerto Rico’s finances.

The restructuring law permitted Puerto Rico to cut its debt by more than \$30 billion, and issue new debt worth \$10 billion. But with the rescue plan, there were conditions to avoid a repeat of the past fiscal problems.

The island’s finances have been under the supervision of the fiscal board for the last eight years. The board scrutinizes the finances of the island. The fiscal review board will automatically go away once the island achieves four consecutive years of balanced budgets.

Puerto Rico has now approved a balanced budget each of the last two years. The governor said fiscal troubles are now in the past and that Puerto Rico provides economic and government stability.

The power grid and electrical system is another immense problem decades in the making. People often experience power outages. The system has now been privatized as required by law. Luma Energy, a private company, is beginning to make inroads in the delivery system. However, the power generation system remains quite fragile.

Pierluisi delivered the state of the island remarks to a gathering of state and local Latino leaders at the Showboat Resort in a reception sponsored by the New Jersey Puerto Rico Commission.

The commission was established to encourage bilateral trade and investment; to serve as a forum to discuss policy issues of mutual interest to New Jersey and Puerto Rico; and to promote economic development and trade.

The governor was welcomed to the city by Mayor Marty Small and Bert Lopez, president of the Hispanic Association of Atlantic County.

Pierluisi was sworn in as Puerto Rico's 12th elected governor on Jan. 1, 2021. He previously served as attorney general and as Puerto Rico delegate to the U.S. Congress. He is a graduate of Tulane University and George Washington Law School.

Puerto Rico is a U.S. territory with an extraordinary history and enormous beauty. The very well preserved Old San Juan is a national treasure. It is the oldest colonial city in United States territory, founded by Spain in 1519. El Yunque is the only tropical rainforest in the U.S. National Forest System, and it is a sacred place in Puerto Rican culture.

The governor encouraged all to come and visit the island and do business in Puerto Rico. He thanked members of the New Jersey State Police who came to the island to aid in the aftermath of Hurricane Maria and expressed appreciation for the support of New Jersey in a moment of crisis.

Pierluisi concluded by reaffirming that Puerto Rico is turning the page on years of problems, that the economy is solid, and that people's confidence is increasing. The future is bright.

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