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Puerto Rico Needs Urgent Congress Action: U.S. Treasury, Health Chiefs.

(Reuters) - The secretaries of the U.S. Treasury and Health and Human Services called for fast congressional action to help Puerto Rico out of its economic mess, and said a bipartisan task force report failed to go far enough on recommending a low-income tax credit for the commonwealth.

In a letter to U.S. House Speaker Paul Ryan on Tuesday, Treasury Secretary Jacob Lew and Health and Human Services Secretary Sylvia Burwell reaffirmed calls to step up healthcare funding for Puerto Rico.

"We write to underscore the need for additional legislation early in this (congressional) session to address the economic and fiscal crisis in Puerto Rico," the letter said.

They noted that 900,000 Puerto Ricans could risk losing healthcare unless Congress took action by April.

The U.S. territory is hampered by \$70 billion in debt, unemployment more than twice the U.S. average, a 45 percent poverty rate and a decreasing population as locals flock to the U.S. mainland.

A congressional task force of U.S. senators and congressmen in December recommended several fixes for Puerto Rico, including boosting healthcare funding and exploring giving the island access to the federal Earned Income Tax Credit.

The benefit for low- to moderate-income workers has been used to combat poverty, and the Obama Administration has proposed expanding it to Puerto Rico. If the credit exceeds a worker's income tax liability, the government will refund the balance.

The report did not go far enough with the tax credit, Lew and Burwell said, calling the benefit a "powerful economic driver."

The task force report described healthcare in Puerto Rico as "a serious and urgent issue," but did not agree on solutions.

For decades, the United States offered lower payments to most island residents under the federally sponsored Medicare and Medicaid insurance programs. Funding for the Medicaid program for the poor, for example, has been capped by Washington, spurring island officials to borrow heavily through municipal bonds.

Read the Special Report [here](#).

By REUTERS

JAN. 17, 2017, 7:24 P.M. E.S.T.

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