

Bond Case Briefs

Municipal Finance Law Since 1971

Puerto Rico Oversight Board to Ask for Delay in Debt Restructuring Due to Coronavirus.

(Reuters) - Puerto Rico's federally created financial oversight board will ask a court to delay the U.S. commonwealth's debt restructuring hearing due to the coronavirus outbreak, it said on Saturday.

"The Oversight Board will present a motion in court to adjourn consideration of the proposed Plan of Adjustment's disclosure hearing until further notice", the Financial Oversight and Management Board for Puerto Rico said <https://bit.ly/2Ua0dUP>.

Puerto Rico commenced a form of municipal bankruptcy in May 2017 to restructure about \$120 billion of debt and liabilities.

The oversight board said last month it was aiming for Puerto Rico to exit bankruptcy by the end of the year after it had reached a deal with an expanded group of bondholders to cut the commonwealth's debt by \$24 billion.

The board asked Judge Laura Taylor Swain to approve a schedule that would culminate with a confirmation hearing on a so-called plan of adjustment for Puerto Rico's core government debt and pension obligations starting in October.

The government of Puerto Rico had objected to moving forward with the new debt plan.

By Reuters

March 21, 2020

(Reporting by Kanishka Singh in Bengaluru; Editing by Sonya Hepinstall)