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Puerto Rico's Governor Leaves \$0.00 for Bondholders.

Post-Hurricane Maria's devastation, Puerto Rico's financial struggles have worsened with parts of the commonwealth still without power and many people struggling to meet their basic needs. In his efforts to prioritize the continuation of public essential services over making debt service payments, Puerto Rico's Gov. Ricardo Rossello has recently proposed his fiscal year 2019 General Fund budget that has \$0 allocation toward the island's central government debt service.

If this proposed budget passes, it will be contrary to Puerto Rico's debt oversight board's decision that contractually obligated the central government to pay \$2.54 billion in debt service in the fiscal year 2019.

In this article, we will take a closer look at Puerto Rico's debt restructuring plan, adherence to the oversight board's fiscal plan and what \$0 budget allocation means for Puerto Rico's bondholders.

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