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Puerto Rico's Economy Is Poised for a Double Boost in 2022.

An exit from bankruptcy, plus new funding in the Build Back Better package, would set the stage for growth on the island.

After more than four years, Puerto Rico is set to emerge from its record bankruptcy in the early part of 2022. While it slashes tens of billions of dollars in debt and shakes off the stigma of default, the U.S. territory could get a further boost: The "Build Back Better" spending package could increase its federal Medicaid funding permanently and, for the first time, extend Supplemental Security Income for the elderly and disabled to U.S. territories.

Antonio Weiss, a senior fellow at the Harvard Kennedy School who led the U.S. Treasury Department's work on Promesa, the 2016 federal law that allowed Puerto Rico to reduce debt through bankruptcy, says there's now reason for optimism and "to think more about investment and the future economy of Puerto Rico in a way that hasn't been possible for decades."

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By Michelle Kaske and Alexander Ruoff

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