

**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD
FOR PUERTO RICO**



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Natalie Jaresko
Executive Director

BY ELECTRONIC MAIL

October 10, 2017

The Honorable Steven Mnuchin
Secretary of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Mnuchin:

The Financial Oversight and Management Board for Puerto Rico (“FOMB”) has actively supported the Governor of Puerto Rico’s calls for the maximum federal assistance to help the Island respond to and recover from Hurricanes Irma and María. We support and underscore the Governor’s urgent request that “the hurricane assistance legislation that the House intends to take up this week include, *in addition to other critical disaster relief*, separate provisions to deal with the Island’s looming and potentially devastating liquidity crisis.”

As referenced in the letter that you received today from the Governor, the Government of Puerto Rico’s ability to provide essential services, such as paying the salaries for teachers and first responders, providing healthcare, and paying pensions, is in jeopardy unless Puerto Rico is given immediate access to a significant federal liquidity facility. The best estimate of the FOMB and Government is that the Commonwealth will run out of money at the end of this month.

Accordingly, we urge you to consider the proposal that we developed with the Government of Puerto Rico to address the pressing liquidity needs of the Commonwealth and its instrumentalities. This proposal has the flexibility to provide Puerto Rico with the cash that it will need to operate core government services and its disaster response efforts in the near term, in addition to being integrated with PROMESA, its monitoring mechanisms, its fiscal reform goals, and the pre-hurricane certified fiscal plans. The FOMB, working with the Government of Puerto Rico, is available to answer any technical aspects of the proposal.

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The challenges that Puerto Rico faces are significant but with your leadership, particularly with respect to addressing Puerto Rico's imminent cashflow deficiencies, we can build a stronger, more resilient Puerto Rico.

Sincerely,



José B. Carrión
Chair

CC: Mitchell McConnell, Jr.
The Majority Leader of the Senate
United States Capitol
Washington, DC 20515

Paul Ryan, Jr.
The Speaker of the House of Representatives
United States Capitol
Washington, DC 20515

Charles Schumer
The Minority Leader of the Senate
United States Capitol
Washington, DC 20515

Nancy Pelosi
The Democratic Leader of the House of Representatives
United States Capitol
Washington, DC 20515

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