

FINANCIAL OVERSIGHT & MANAGEMENT BOARD FOR PUERTO RICO



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BY ELECTRONIC MAIL

October 28, 2022

Mr. Juan C. Blanco Urrutia
Executive Director
Office of Management and Budget

Dear Mr. Blanco Urrutia,

This letter is in response to your letter dated October 27, 2022 requesting, on behalf of the Governor of Puerto Rico, that the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) authorize access to the Emergency Reserve for expenses related to rainfall emergency response for a period of fifteen (15) days and subject to the previously established procedures, including pre-authorization from the Office of Management and Budget (OMB) prior to disbursement.

The Emergency Reserve is intended to expedite response activities and, upon request, provide the Commonwealth agencies and affected local governmental entities with funds in the event of an emergency of such severity and magnitude that effective response exceeds the capacity of current budget resources and federal disaster assistance is not available or not yet available to respond to the emergency. Moreover, the Emergency Reserve is intended for extraordinary events like natural disasters or as otherwise agreed with the Oversight Board and that are generally outside of human control and unpreventable.

We take notice that Puerto Rico experienced an extraordinary rainfall event on October 26, 2022 and October 27, 2022. The recent rainfall is causing hazardous conditions, flooding, and mudslides in areas significantly impacted by Hurricane Fiona and has required the activation of resources to respond to emergencies and to assist in recovery and clean-up efforts. Furthermore, the National Weather Service has extended a Flash Flood Warning for certain areas and a Flash Flood Watch for the entire Island, as excessive heavy rainfall is expected through at least October 28, 2022.

Mr. Blanco Urrutia

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The Oversight Board hereby authorizes access to the Emergency Reserve for expenses related to the emergency response for the October 2022 rainfall event for a period of fifteen (15) days, commencing on the date of this letter, and subject to the previously established procedures, including pre-authorization from OMB prior to disbursement. Once the access period to the Emergency Reserve has ended, the OMB must submit to the Oversight Board a detail of the expenditures incurred during the emergency.

We look forward to continuing working with you to accomplish the requirements and goals of PROMESA for the benefit of the people of Puerto Rico.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jaime A. El Koury', with a stylized flourish at the end.

Jaime A. El Koury
General Counsel

Cc: Hon. Pedro Pierluisi Urrutia
Hon. Omar Marrero Díaz