



GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial Advisory Authority

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PRESS RELEASE

Puerto Rico Government Urges Oversight Board to Authorize an Economic Incentive for Private Sector and Retirees

(San Juan, Puerto Rico) – Puerto Rico Fiscal Agency and Financial Advisory Authority (AAFAF) Executive Director Omar J. Marrero Díaz pressed the Financial Oversight and Management Board (Oversight Board) to consider Governor Wanda Vázquez Garced’s proposal to distribute a \$500 economic incentive for taxpayers who work in the private sector and for retirees.

“We urge the Oversight Board to authorize the \$500 economic stimulus for our private sector employees and for our retirees. Our people need this incentive to mitigate the economic effects of the coronavirus and to take care of the needs arising from this global pandemic. We have provided the federal Oversight Board with the cost estimate as well as the mechanism the Government of Puerto Rico will use to finance this economic response,” Governor Vázquez Garced stated.

The Government of Puerto Rico can reimburse, through the CARES Act, expenses incurred by the state in the management of the coronavirus emergency.

“Our administration expects to fund this initiative from a reimbursement of Coronavirus Relief Fund (CRF) funds to the General Fund in the approximate amount of \$349 million, which would benefit approximately 503,201 private sector salaried workers and 154,935 retirees that would be eligible for this initiative. Once the funds are reimbursed, the Government may begin distributing the monies to this population,” Marrero Díaz pointed out.

The cost for the \$500 initiative would be approximately \$349,026,052. Specifically, the estimated costs would be \$271,558,552 for private sector salaried workers and \$77,467,500 for retirees.

As part of Puerto Rico Government’s proposal to the Oversight Board, eligible individuals for the \$500 incentive would be salaried private sector employees



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and retirees who have gross adjusted income of \$75,000 or less for single and married individuals with separate tax filings, or \$150,000 or less for married individuals with joint tax filings. Also, individuals would not be eligible if they received the \$500 incentive for self-employed individuals under the First Phase of the economic stimulus.

“We trust that the Oversight Board will provide a prompt response and that we will reach a consensus during this unprecedented challenge caused by the Coronavirus COVID-19 global pandemic,” indicated the Executive Director of AAFAF.

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