

authority for the Government of Puerto Rico to restructure debts in a fair and orderly process.

(5) Additionally, an immediate—but temporary—stay is essential to stabilize the region for the purposes of resolving this territorial crisis.

(A) The stay advances the best interests common to all stakeholders, including but not limited to a functioning independent Oversight Board created pursuant to this chapter to determine whether to appear or intervene on behalf of the Government of Puerto Rico in any litigation that may have been commenced prior to the effectiveness or upon expiration of the stay.

(B) The stay is limited in nature and narrowly tailored to achieve the purposes of this chapter, including to ensure all creditors have a fair opportunity to consensually renegotiate terms of repayment based on accurate financial information that is reviewed by an independent authority or, at a minimum, receive a recovery from the Government of Puerto Rico equal to their best possible outcome absent the provisions of this chapter.

(6) Finally, the ability of the Government of Puerto Rico to obtain funds from capital markets in the future will be severely diminished without congressional action to restore its financial accountability and stability.

(n) Purposes

The purposes of this section are to—

(1) provide the Government of Puerto Rico with the resources and the tools it needs to address an immediate existing and imminent crisis;

(2) allow the Government of Puerto Rico a limited period of time during which it can focus its resources on negotiating a voluntary resolution with its creditors instead of defending numerous, costly creditor lawsuits;

(3) provide an oversight mechanism to assist the Government of Puerto Rico in reforming its fiscal governance and support the implementation of potential debt restructuring;

(4) make available a Federal restructuring authority, if necessary, to allow for an orderly adjustment of all of the Government of Puerto Rico's liabilities; and

(5) benefit the lives of 3.5 million American citizens living in Puerto Rico by encouraging the Government of Puerto Rico to resolve its longstanding fiscal governance issues and return to economic growth.

(o) Voting on voluntary agreements not stayed

Notwithstanding any provision in this section to the contrary, nothing in this section shall prevent the holder of a Liability Claim from voting on or consenting to a proposed modification of such Liability Claim under subchapter VI of this chapter.

(Pub. L. 114–187, title IV, § 405, June 30, 2016, 130 Stat. 587.)

Editorial Notes

REFERENCES IN TEXT

The enactment of this chapter, referred to in text, means the enactment of Pub. L. 114–187, which was approved June 30, 2016.

This chapter, referred to in subsec. (m)(5), was in the original “this Act”, meaning Pub. L. 114–187, June 30, 2016, 130 Stat. 549, known as the Puerto Rico Oversight, Management, and Economic Stability Act and also as PROMESA, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2101 of this title and Tables.

§ 2195. Protection from inter-debtor transfers

(a) Protection of creditors

While an Oversight Board for Puerto Rico is in existence, if any property of any territorial instrumentality of Puerto Rico is transferred in violation of applicable law under which any creditor has a valid pledge of, security interest in, or lien on such property, or which deprives any such territorial instrumentality of property in violation of applicable law assuring the transfer of such property to such territorial instrumentality for the benefit of its creditors, then the transferee shall be liable for the value of such property.

(b) Enforceability

A creditor may enforce rights under this section by bringing an action in the United States District Court for the District of Puerto Rico after the expiration or lifting of the stay of section 2194 of this title, unless a stay under subchapter III is in effect.

(Pub. L. 114–187, title IV, § 407, June 30, 2016, 130 Stat. 592.)

§ 2196. Congressional Task Force on Economic Growth in Puerto Rico

(a) Establishment

There is established within the legislative branch a Congressional Task Force on Economic Growth in Puerto Rico (hereinafter referred to as the “Task Force”).

(b) Membership

The Task Force shall be composed of eight members as follows:

(1) One member of the House of Representatives, who shall be appointed by the Speaker of the House of Representatives, in coordination with the Chairman of the Committee on Natural Resources of the House of Representatives.

(2) One member of the House of Representatives, who shall be appointed by the Speaker of the House of Representatives, in coordination with the Chairman of the Committee on Ways and Means of the House of Representatives.

(3) One member of the House of Representatives, who shall be appointed by the Minority Leader of the House of Representatives, in coordination with the ranking minority member of the Committee on Natural Resources of the House of Representatives.

(4) One member of the House of Representatives, who shall be appointed by the Minority

Leader of the House of Representatives, in coordination with the ranking minority member of the Committee on Ways and Means of the House of Representatives.

(5) One member of the Senate, who shall be appointed by the Majority Leader of the Senate, in coordination with the Chairman of the Committee on Energy and Natural Resources of the Senate.

(6) One member of the Senate, who shall be appointed by the Majority Leader of the Senate, in coordination with the Chairman of the Committee on Finance of the Senate.

(7) One member of the Senate, who shall be appointed by the Minority Leader of the Senate, in coordination with the ranking minority member of the Committee on Energy and Natural Resources of the Senate.

(8) One member of the Senate, who shall be appointed by the Minority Leader of the Senate, in coordination with the ranking minority member of the Committee on Finance of the Senate.

(c) Deadline for appointment

All appointments to the Task Force shall be made not later than 15 days after June 30, 2016.

(d) Chair

The Speaker shall designate one Member to serve as chair of the Task Force.

(e) Vacancies

Any vacancy in the Task Force shall be filled in the same manner as the original appointment.

(f) Status update

Between September 1, 2016, and September 15, 2016, the Task Force shall provide a status update to the House and Senate that includes—

- (1) information the Task Force has collected; and
- (2) a discussion on matters the chairman of the Task Force deems urgent for consideration by Congress.

(g) Report

Not later than December 31, 2016, the Task Force shall issue a report of its findings to the House and Senate regarding—

- (1) impediments in current Federal law and programs to economic growth in Puerto Rico including equitable access to Federal health care programs;
- (2) recommended changes to Federal law and programs that, if adopted, would serve to spur sustainable long-term economic growth, job creation, reduce child poverty, and attract investment in Puerto Rico;
- (3) the economic effect of Administrative Order No. 346 of the Department of Health of the Commonwealth of Puerto Rico (relating to natural products, natural supplements, and dietary supplements) or any successor or substantially similar order, rule, or guidance of the Commonwealth of Puerto Rico; and
- (4) additional information the Task Force deems appropriate.

(h) Consensus views

To the greatest extent practicable, the report issued under subsection (f)¹ shall reflect the

shared views of all eight Members, except that the report may contain dissenting views.

(i) Hearings and sessions

The Task Force may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Task Force considers appropriate. If the Task Force holds hearings, at least one such hearing must be held in Puerto Rico.

(j) Stakeholder participation

In carrying out its duties, the Task Force shall consult with the Puerto Rico Legislative Assembly, the Puerto Rico Department of Economic Development and Commerce, and the private sector of Puerto Rico.

(k) Resources

The Task Force shall carry out its duties by utilizing existing facilities, services, and staff of the House of Representatives and Senate, except that no additional funds are authorized to be appropriated to carry out this section.

(l) Termination

The Task Force shall terminate upon issuing the report required under subsection (f)¹.

(Pub. L. 114-187, title IV, § 409, June 30, 2016, 130 Stat. 593.)

§ 2197. Report

Not later than 18 months after June 30, 2016, the Comptroller General shall submit a report to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate describing—

- (1) the conditions which led to the level of debt, which should be analyzed, per capita and based upon overall economic activity;
- (2) how actions of the territorial government improved or impaired the territory's financial conditions; and
- (3) recommendations on non-fiscal actions, or policies that would not imperil America's homeland and national security, that could be taken by Congress or the Administration to avert future indebtedness of territories, while respecting sovereignty and constitutional parameters.

(Pub. L. 114-187, title IV, § 410, June 30, 2016, 130 Stat. 594.)

§ 2198. Report on territorial debt

(a) Report required

Not later than one year after June 30, 2016, and thereafter not less than once every two years, the Comptroller General of the United States shall submit to Congress a report on the public debt of each territory, including—

- (1) the historical levels of each territory's public debt, current amount and composition of each territory's public debt, and future projections of each territory's public debt;
- (2) the historical levels of each territory's revenue, current amount and composition of each territory's revenue, and future projections of each territory's revenue;
- (3) the drivers and composition of each territory's public debt;

¹ So in original. Probably should be "subsection (g)".