

117TH CONGRESS
2D SESSION

H. R. 7409

To modify the conditions for the termination of an oversight board, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 2022

Mr. TORRES of New York (for himself, Miss GONZÁLEZ-COLÓN, Ms. VELÁZQUEZ, Mr. SOTO, and Mr. GRIJALVA) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To modify the conditions for the termination of an oversight
board, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Territorial Relief
5 Under Sustainable Transitions for Puerto Rico Act of
6 2022” or the “TRUST for Puerto Rico Act of 2022”.

1 **SEC. 2. MODIFICATION TO CONDITIONS FOR TERMINATION.**

2 (a) IN GENERAL.—Section 209 of the Puerto Rico
3 Oversight, Management, and Economic Stability Act (48
4 U.S.C. 2149) is amended—

5 (1) in the matter preceding paragraph (1), by
6 striking “upon” and inserting “not later than 90
7 days after”;

8 (2) by striking paragraph (1); and

9 (3) in paragraph (2)—

10 (A) in the matter preceding subparagraph

11 (A), by striking “at least 4” and inserting “at
12 least 2”; and

13 (B) in subparagraph (B), by inserting
14 “and without regard to whether the applicable
15 Budget provides for the payment of debt serv-
16 ice” after “standards”.

17 (b) EFFECTIVE DATE.—Each amendment made by
18 subsection (a) shall take effect and apply as if enacted
19 as part of the Puerto Rico Oversight, Management, and
20 Economic Stability Act.

21 (c) TRANSFER OF FUNCTIONS.—Upon certification
22 of an Oversight Board under section 209 of the Puerto
23 Rico Oversight, Management, and Economic Stability Act
24 (48 U.S.C. 2149), as amended by subsection (a), and upon
25 the adoption of a resolution by the legislature of a terri-
26 tory and signed by that territory’s governor setting forth

1 the manner in which such termination shall be imple-
2 mented—

3 (1) all property, funds, assets, and records of
4 the Oversight Board shall be transferred to the ter-
5 ritorial government in accordance with the transition
6 provisions established by such adopted resolution;

7 (2) a copy of all such records of the Oversight
8 Board shall be transmitted to Congress;

9 (3) with respect to any pending action under
10 title III of the Puerto Rico Oversight, Management,
11 and Economic Stability Act (48 U.S.C. 2161 et seq.)
12 as of the date of the adoption of such resolution, the
13 duties and responsibilities of the Oversight Board
14 (including the role and capacity set forth under sec-
15 tion 315 of such title) with respect to such action,
16 as of the day before such date of adoption, shall be
17 transferred to the territorial government in accord-
18 ance with the provisions of such adopted resolution;

19 (4) with respect to any action taken pursuant
20 to the authorities under title VI of the Puerto Rico
21 Oversight, Management, and Economic Stability Act
22 (48 U.S.C. 2191 et seq.) on or after the date of the
23 adoption of such resolution, the duties, responsibil-
24 ities, and all applicable powers and roles of the
25 Oversight Board, including under any other provi-

1 sion of such Act relating to such action, shall be-
2 come the duties, responsibilities, powers, and roles,
3 respectively, of the territorial government in accord-
4 ance with the provisions of such adopted resolution;

5 (5) section 302 of the Puerto Rico Oversight,
6 Management, and Economic Stability Act (48
7 U.S.C. 2162) shall be applied with respect to such
8 territorial government as if it read as follows:

9 **“SEC. 302. WHO MAY BE A DEBTOR.**

10 “An entity may be a debtor under this title if—

11 “(1) the entity is—

12 “(A) a territory that has requested the es-
13 tablishment of an Oversight Board or has had
14 an Oversight Board established for it by the
15 United States Congress in accordance with sec-
16 tion 101 of this Act; or

17 “(B) a covered territorial instrumentality
18 of a territory described in paragraph (1)(A);

19 “(2) the Oversight Board—

20 “(A) has issued a certification under sec-
21 tion 206(b) of this Act for such entity; or

22 “(B) has terminated pursuant to section
23 209 and the territorial government has under-
24 taken all duties and responsibilities under this

1 title that were formerly assigned to the Over-
2 sight Board; and

3 “(3) the entity desires to effect a plan to adjust
4 its debts.”;

5 (6) the definition of “covered territorial instru-
6 mentality” in section 5(7) of the Puerto Rico Over-
7 sight, Management, and Economic Stability Act (48
8 U.S.C. 2104(7)) shall be applied as if “or, upon ter-
9 mination of the Oversight Board pursuant to section
10 209, designated by the covered territory to be sub-
11 ject to such requirements” were inserted before the
12 period at the end; and

13 (7) the definition of “administrative supervisor”
14 in section 601(a)(1) of the Puerto Rico Oversight,
15 Management, and Economic Stability Act (48
16 U.S.C. 2231(a)(1)) shall be applied as if “or, upon
17 termination of the Oversight Board pursuant to sec-
18 tion 209, the Territory Government Issuer” were in-
19 serted before the period at the end.

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