

HR 4900

PROMESA

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Economics and Public Finance

Introduced: Apr 12, 2016

Current Status: Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law.

Latest Action: Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law. (Apr 28, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/4900>

Sponsor

Name: Rep. Duffy, Sean P. [R-WI-7]

Party: Republican • **State:** WI • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred To	Apr 12, 2016
Judiciary Committee	House	Referred to	Apr 28, 2016
Natural Resources Committee	House	Markup By	Apr 13, 2016

Subjects & Policy Tags

Policy Area:

Economics and Public Finance

Related Bills

Bill	Relationship	Last Action
114 S 2328	Related bill	Jun 30, 2016: Became Public Law No: 114-187.
114 HR 5278	Related bill	Jun 13, 2016: Received in the Senate and Read twice and referred to the Committee on Energy and Natural Resources.
114 HR 4290	Related bill	Jan 15, 2016: Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law.

Puerto Rico Oversight, Management, and Economic Stability Act or PROMESA

This bill addresses Puerto Rico's debt by establishing an oversight board, a process for restructuring debt, and expedited procedures for approving critical infrastructure projects.

The bill establishes the Financial Oversight and Management Board to oversee the development of budgets and fiscal plans for Puerto Rico's instrumentalities and government. The board may issue subpoenas, certify voluntary agreements between creditors and debtors, seek judicial enforcement of its authority, impose penalties, and enforce territorial laws prohibiting public sector employees from participating in strikes or lockouts.

The board's responsibilities include:

- approving the governor's fiscal plan;
- approving annual budgets;
- enforcing budgets and ordering any necessary spending reductions; and
- reviewing laws, contracts, rules, and regulations for compliance with the fiscal plan.

The bill establishes procedures and requirements for Puerto Rico to restructure its debt and designates the board as the representative of the debtor. The board may initiate a procedure for debt restructuring and submit or modify a plan of adjustment.

The establishment of the board operates as an automatic stay of creditor actions to enforce claims against the government of Puerto Rico.

The bill establishes a Revitalization Coordinator to designate critical infrastructure projects that address an infrastructure emergency, have access to private capital, and meet other requirements. Critical projects approved by the oversight board are eligible for an expedited permitting process.

The board shall divide creditors into pools based on the characteristics of the debt, and each pool may vote on a plan to restructure the debt. If at least two-thirds of the outstanding principal amount of a pool agrees with the plan, the pool may file a petition in court to bind the dissenting bondholders to the modification.

Actions Timeline

- **Apr 28, 2016:** Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law.
- **Apr 13, 2016:** Committee Consideration and Mark-up Session Held.
- **Apr 12, 2016:** Introduced in House
- **Apr 12, 2016:** Referred to the Committee on Natural Resources, and in addition to the Committees on the Judiciary, and Education and the Workforce, 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.