

The Associated General Contractors of America
Puerto Rico Chapter

501 Perseo Street, Suite 211
San Juan, Puerto Rico 00920



May 25, 2016

Hon. Rob Bishop
Chairman
House Committee on Natural Resources
1324 Longworth House Office Building
Washington, D.C. 20515

OFICIALES

ING. NEYSSA VARELA
Presidente

ING. FRANCISCO DÍAZ MASSÓ
Primer Vicepresidente

ING. FRANCISCO RODRÍGUEZ
Segundo Vicepresidente

ING. IVÁN FERNÁNDEZ
Secretario

ING. TOMÁS MONTALVO
Tesorero

ING. MANUEL A. SUÁREZ MIRANDA
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Director

ING. CARLOS RODRÍGUEZ
Director

ING. JORGE JOSÉ FUENTES
Director

SR. JOSÉ FULLANA
Director

ING. MICHAEL PABÓN
Director

SR. REGIS COLÓN
Director

ING. SANTIAGO DOMENECH
Director

ING. HUMBERTO REYNOLDS
Pasado Presidente

Re: Puerto Rico Oversight, Management and Economic Stability Act
("PROMESA")

Honorable Chairman Bishop:

The Puerto Rico Chapter of the Washington, D.C. based Associated General Contractors of America ("AGC-PR") wishes to thank you, members of the Committee and staff for not giving up on Puerto Rico and for the work and effort related to the new version of "PROMESA". We want to formally express our support to the new May 2016 version of "PROMESA", which will create an Oversight Board for Puerto Rico to address the current fiscal and economic crisis, and help rebuild the foundation for future fiscal health and economic growth - based on the governing values of transparency, certainty and credibility. Our organization, which represents 80% of the construction activity on the Island, also wants to reiterate its particular support for Title V, related to the revitalization of the infrastructure of Puerto Rico and the appointment of a Revitalization Coordinator to lead the initiative.

Our Association is thankful for your commitment to helping the people of Puerto Rico overcome the current crisis through a balanced initiative that will hopefully win the support of the U.S. House of Representatives, the U.S. Senate and the people of Puerto Rico. In this respect, the AGC-PR would like to suggest a few edits to the latest version of "PROMESA".

First, The AGC-PR wishes to respectfully request that three (3) of the seven (7) appointed members to the Oversight Board be required to maintain primary residence in Puerto Rico and have a primary place of business in the Territory (See Title I, Section 101). This, in order to ensure the participation and the input of the local business community in the debates and decision making processes that will affect the long-term future of Puerto Rico.

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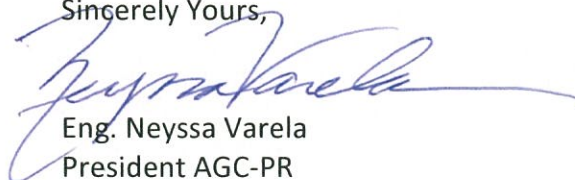
Second, with respect to the requisites of the Revitalization Coordinator, the appointed candidate should also be required to maintain primary residence in Puerto Rico and a primary place of business in the Territory, and should have experience in the development and construction of vital infrastructure projects (See Tittle V, Section 502). As the leading voice of Puerto Rico's construction industry, we believe that the Revitalization Coordinator must be knowledgeable of Puerto Rico and its particular needs for infrastructure in order to be able to determine the critical infrastructure projects that must be developed under an expedited permit process to ensure the health and safety of our people.

Regarding the proposal under "PROMESA" to give to the Governor of Puerto Rico the authority to enact for a period no greater than five years a wage lower than the federal minimum wage for employees 25 and under the AGC-PR reiterates its opposition to any initiative that lowers the federal minimum wage rate for employees in Puerto Rico. This move will not only worsen the poverty level of many families, but will aggravate the economic crisis that is well into its 10th year and the increased migration to the U.S. mainland.

Puerto Rico is in intensive care and the prognosis is uncertain. However, we are confident that with the help of the U.S. Congress and the guidelines established under "PROMESA" Puerto Rico will be able to shine again, recover its fiscal health and goodwill, reenter the financial markets and reignite much needed economic activity – as part of the greater United States economy of which we have been part for decades.

Once again on behalf of our 300-members, I thank you and your committee for your commitment to Puerto Rico. We look forward to working with you in setting up the basis for a better Puerto Rico.

Sincerely Yours,



Eng. Neyssa Varela
President AGC-PR

