

House Floor. Thank you for your attention to these matters.

Sincerely,

JOHN KLINE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON NATURAL RESOURCES,
Washington, DC, May 31, 2016.

Hon. BOB GOODLATTE,
Chairman, Committee on the Judiciary, Wash-
ington, DC.

DEAR MR. CHAIRMAN: On May 25, 2016, the Committee on Natural Resources ordered favorably reported as amended H.R. 5278, the Puerto Rico Oversight, Management, and Economic Stability Act. The bill was referred primarily to the Committee on Natural Resources, with an additional referral to the Committee on the Judiciary, among others.

I ask that you allow the Committee on the Judiciary to be discharged from further consideration of the bill so that it may be scheduled by the Majority Leader. This discharge in no way affects your jurisdiction over the subject matter of the bill, and it will not serve as precedent for future referrals. In addition, should a conference on the bill be necessary, I would support your request to have the Committee on the Judiciary represented on the conference committee. Finally, I would be pleased to include this letter and any response in the bill report filed by the Committee on Natural Resources to memorialize our understanding, as well as in the Congressional Record.

Thank you for your consideration of my request, and I look forward to further opportunities to work with you this Congress.

Sincerely,

ROB BISHOP,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, June 2, 2016.

Hon. ROB BISHOP,
Chairman, Committee on Natural Resources,
Washington, DC.

DEAR CHAIRMAN BISHOP: I am writing with respect to H.R. 5278, the "Puerto Rico Oversight, Management, and Economic Stability Act," which was referred to the Committee on Natural Resources and in addition to the Committee on the Judiciary among other committees. As a result of your having consulted with us on provisions in H.R. 5278 that fall within the Rule X jurisdiction of the Committee on the Judiciary, I agree to discharge our committee from further consideration of this bill so that it may proceed expeditiously to the House floor for consideration.

The Judiciary Committee takes this action with our mutual understanding that by foregoing consideration of H.R. 5278 at this time, we do not waive any jurisdiction over subject matter contained in this or similar legislation and that our committee will be appropriately consulted and involved as this bill or similar legislation moves forward so that we may address any remaining issues in our jurisdiction. Our committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation and asks that you support any such request.

I appreciate your May 31, 2016, letter confirming this understanding with respect to H.R. 5278 and would ask that a copy of our exchange of letters on this matter be included in your committee report and in the Congressional Record during Floor consideration of H.R. 5278.

Sincerely,

BOB GOODLATTE,
Chairman.

Mr. GRIJALVA. I yield myself the balance of my time, and thank Leader PELOSI and my colleague, Chairman BISHOP, his staff, and certainly staff on our side of the aisle for their hard work.

It is a bill that is indeed a compromise, and we shouldn't be ashamed of that. It is a compromise that I wish was more tilted on our side and the things that we wanted. But, Mr. Chairman, those are not the dynamics or the numbers in this House.

The reality is that the urgency of Puerto Rico, the humanitarian demands and needs of the island make us look at this bill not with an eye towards perfection, but with an eye toward what is doable and what can provide some immediate relief and begin the process of stability for the island and for its people, and begin the process of an economic renewal for the island itself.

I want to also acknowledge my colleagues, Mr. PIERLUISI, Ms. VELÁZQUEZ, and Mr. SERRANO. I know how difficult this vote was and how difficult it is to vote on a compromise that does not fully empower and fully acknowledge the self-governance of the Puerto Rican people. I know that. But your endorsement of this bill is very meaningful in that it ties us to a heritage of representation by the Puerto Rican people in this body and to insisting and demanding that the needs of the people of Puerto Rico be recognized fully by this Congress. We recognize them today, as Mr. SERRANO said, but there is much, much more to do.

This vote, by the way, as I close, is not about heritage. More importantly, it is not about selling out one's heritage. It is about future generations and the opportunities they will have on the island. It is about stability for children, families, and the elderly with a fiscally stable economy and an accountable fiscal system within the island.

While I can understand the political expediency of voting "no," I think the demands and the urgency to deal with this question compel me—and I hope all my colleagues in this body—to vote "yes."

Mr. Chairman, I yield back the balance of my time.

Mr. BISHOP of Utah. I yield 4½ minutes to the gentleman from Louisiana (Mr. GRAVES), another member of our committee.

Mr. GRAVES of Louisiana. Mr. Chairman, I first want to thank Chairman BISHOP, Ranking Member GRIJALVA, Congressmen LABRADOR, DUFFY, and PIERLUISI, and many others who worked tirelessly on this legislation.

Mr. Chairman, the island of Puerto Rico with a population of under 4 million people has a debt of, by some measure, \$100 billion. That is a population less than the State of Louisiana, but a debt of nearly \$100 billion.

We have three options: We can do nothing and continue to allow this island territory to continue spiraling

downward in a financial and humanitarian crisis. We can provide financial oversight. We can relieve regulation, help to reignite the economy, and allow for a negotiation between the creditors and the debtor. Or we can pay off their debt and add to the already \$19 trillion irresponsible debt of the American Government today. Those are the options that are out there.

I will tell you, I also struggled with what the right conservative solution was in this case.

Ultimately, there is just one right answer. Doing nothing will simply worsen the financial condition, will probably put more burden on us to actually bail out the Nation on Congress and on the White House to do that. I oppose a bailout, and I oppose putting taxpayer dollars on the hook to pay off nearly a dozen years of irresponsible spending of the Puerto Rican Government.

So establishing a financial oversight board similar to what was done in Washington, D.C. and providing conditions to negotiate a solution is the right answer. It is the conservative solution.

During committee consideration of the bill, I included an amendment to ensure that Federal taxpayers are not put on the hook for this liability.

Section 210 says: "No Federal funds shall be authorized by this act for the payment of any liability of the territory or territorial instrumentality."

The Acting CHAIR. The time of the gentleman has expired.

Mr. BISHOP of Utah. Mr. Chairman, I yield the gentleman an additional 30 seconds.

Mr. GRAVES of Louisiana. Mr. Chairman, this amendment makes it clear: as affirmed by the Supreme Court today and mentioned by the committee chairman, Puerto Rico is different from a State, and the Supreme Court affirmed that today. It is not a State. It is a territory of the U.S., and we have a constitutional obligation to prevent a worsening disaster.

This bill does not set a precedent for States and municipalities. It respects the priority of debt by general obligation bondholders and others. It prevents higher cost of borrowing by States and municipalities by controlling the situation. Most importantly, Mr. Chairman, it doesn't bail out Puerto Rico. It creates a path for financial stability.

Mr. Chairman, I urge support for H.R. 5278.

Mr. BISHOP of Utah. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT. Mr. Chairman, I come before the House today to support an important piece of legislation that will allow the people of Puerto Rico a path towards economic stability, growth, and prosperity.

Beholden to out-of-control tax-and-spend policies, the Puerto Rican people are experiencing the harsh realities of fiscal irresponsibility and unaccountable government. That is why I strongly support this bill.