

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

April 30, 2020

The Honorable Steven T. Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

The Honorable Charles P. Rettig
Commissioner
Internal Revenue Service
1111 Constitution Avenue NW
Washington, D.C. 20224

Dear Secretary Mnuchin and Commissioner Rettig:

We are writing to urge the U.S. Department of the Treasury (the “U.S. Treasury”) and Internal Revenue Service (“IRS”) to expedite the implementation of paragraph 2201(c)(1)(B) of the Coronavirus Aid, Relief, and Economic Security Act of 2020 (the “CARES” Act) in Puerto Rico. In addition, we respectfully request that Recovery Rebates payments be issued automatically for Social Security (SS), Assistance to the Aged, Blind, or Disabled (AABD), and Veterans Affairs (VA) beneficiaries residing in the island, just like it is done in the states.

First, we are concerned with the delayed disbursement of Recovery Rebates in Puerto Rico. Section 2201 of the CARES Act provides Recovery Rebates of up to \$1,200 for an eligible individual and up to \$2,400 for eligible individuals filing a joint return to manage the economic impact caused by the COVID-19 pandemic.¹ Paragraph 2201(c)(1)(B) establishes that, in the case of non-mirror code possessions like Puerto Rico, the Secretary of the Treasury cannot issue Recovery Rebates unless the respective possession has a plan that has been approved by the Secretary of the Treasury.² The Congressional intent was for Section 2201 appropriated funds to flow quickly to eligible individuals and families who have been impacted by this national emergency.

More than three weeks ago, on April 8, 2020, the Puerto Rico Treasury Department submitted to the U.S. Treasury and IRS a draft of their plan for review and comment.³ However, as of today, the Government of Puerto Rico reports that the Puerto Rico Treasury Department has not yet received approval of the plan. Consequently, the island’s most vulnerable populations have not received the federal aid they need to pay their rent and put food on their tables during this economic

¹ Coronavirus Aid, Relief, and Economic Security Act of 2020, Pub. L. No. 116-136.

² *Id.*

³ *Puerto Rico Department of Treasury waits for the U.S. Treasury to disburse \$1,200 checks*, EL NUEVO DÍA (Apr. 20, 2020),

<https://www.elnuevodia.com/negocios/economia/nota/haciendaesperaporeltesorofederalparadesembolsarlos1200-2562614/>.

and public health crisis. For this reason, we urge the U.S. Treasury and IRS to expedite the approval of the Government of Puerto Rico's plan to utilize Section 2201 appropriated funds.

Second, we are concerned that more than 500 thousand SS, AABD, and VA beneficiaries in Puerto Rico have been excluded from receiving their Recovery Rebates automatically like their fellow citizens in the states. There is no logical reason for why these individuals have been excluded and are being discriminated against. Many of these individuals are elderly, incapacitated, and lack access to computers. The unintended effect is that the Government of Puerto Rico will force them to file a tax return—even if they are not required to file one—in order to be able to receive federal aid. During this pandemic, it is unconscionable to exclude those most in need from this much-needed assistance. Therefore, we request that payments be issued automatically for SS, AABD, and VA beneficiaries residing in Puerto Rico, just like it is done in the states.

Thank you for your attention to these requests. Given the urgency of the situation, we look forward to your immediate response.

Sincerely,



Raúl M. Grijalva
Chair
Committee on Natural Resources



Nydia Velázquez
MEMBER OF CONGRESS




Joaquin Castro
MEMBER OF CONGRESS



Robert Menendez
MEMBER OF CONGRESS



Darren Soto
MEMBER OF CONGRESS



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Alexandria Ocasio-Cortez
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Jesús G. "Chuy" García
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