

Resolution No. 1210-17

AN EMERGENCY RESOLUTION

Council Members Cummins and Brady

Urging the United States Congress and the President to take immediate action in their federal relief efforts to assist the over 3.4 million United States citizens who live in Puerto Rico following the devastation of Hurricane Maria on September 20, 2017; and further calling upon the United States Congress to pass and the President to sign legislation allowing an economic hardship exemption for Puerto Rico from the Merchant Marine Act of 1920, commonly known as the "Jones Act".

On Wednesday September 20, 2017 Hurricane Maria, the worst storm to hit Puerto Rico since 1928, made landfall, taking out the electric and telecommunication grid to over 3.4 million American citizens in Puerto Rico and destroying countless structures in its path; 100% of residential properties were left without electricity and running water; and

WHEREAS, according to the Associated Press, 1,360 of the island's 1600 cell phone towers were destroyed by Hurricane Maria and 85% of above-ground and underground phone and internet cables were knocked out due to the hurricane, making communication to and from the island to family and friends practically non-existent; and

WHEREAS, as of October 1, 2017, 55% of the Puerto Rican population still does not have drinking water, 95% are still without electricity, only 14% of cell towers are functioning and 721 of 1,100 gasoline stations are open; and

WHEREAS, to date Hurricane Maria has killed 16 people in Puerto Rico with the death toll likely to rise as people lack medical care, drinking water, medical supplies and cooling units necessary to keep sick and elderly in stable condition; and

WHEREAS, last week over 14,000 people were living in shelters, not including the thousands of homeless who have moved in with family; 80% of Puerto Rico's crops have been destroyed amounting to a \$780 million dollar hit to the island's agriculture industry; and

WHEREAS, Hurricane Maria also breached and destroyed a part of the Guajataca Dam, endangering the lives of 70,000 people living near the dam in San Sebastian and Quebradillas; and

WHEREAS, the federal government must make an immediate allocation to FEMA for Puerto Rico, rather than waiting for an analysis to allocate funding; further the Army Corps of Engineers should take the lead on the potential breach of the Guajataca Dam and the U.S. Navy should deploy ships to remove individuals who are sick and need immediate health services; and

WHEREAS, the United States must deploy U.S. military officer, logistics, communication and engineering assets to help remove debris, clear roads, and ensure that areas that have been cut off receive the help needed; U.S. military are needed to help preserve law and order, ensure relief supplies are delivered to those most in need and protect Puerto Ricans from crime and looting; and

WHEREAS, the federal government must eliminate the formula for Puerto Rico's federal ceiling on Medicaid and replace it with a per capita cap on par with those being proposed in current health reform bills; the Affordable Care Act block grant for Puerto Rico will be depleted this year and unless there is an influx of funds, 900,000 Puerto Ricans who qualified for funding before Hurricane Maria may no longer have access to health care; and

WHEREAS, the U.S. Department of Homeland Security should take steps to accelerate Puerto Rico's recovery from Hurricane Maria including, making the waiver of the Jones Act a permanent exemption and also exempting Puerto Rico from requirements that local resources match federal funds expended by FEMA; and

WHEREAS, the Merchant Marine Act of 1920, commonly known as the "Jones Act," requires that all shipping between United States (U.S.) ports be conducted by U.S. built, flagged, crewed and owned vessels; and

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WHEREAS, Puerto Rico, a U.S. territory, is almost entirely reliant on shipping for the receipt of goods, therefore, the requirements of the Jones Act affect the cost of nearly every product Puerto Ricans consume; and

WHEREAS, according to the U.S. Energy Information Administration, per capita, Puerto Rican energy usage is two-fifths less than that of mainland Americans, yet their cost of electricity, approximately 27 cents per kilo-watt hour, is twice the average cost on the mainland; and

WHEREAS, a principal reason for high energy costs is Puerto Rico's reliance on expensive petroleum to generate electricity, due in part, to the fact that there are only three Jones Act carriers with a total of six vessels, available on a limited basis, that serve Puerto Rico's bulk cargo needs, such as petroleum and grain; and

WHEREAS, limited availability of Jones Act qualified bulk cargo carriers has obliged Puerto Rico to import oil and gas from foreign sources; and

WHEREAS, even before Hurricane Maria, Puerto Rico's economy was in great financial distress with an unemployment rate of 12.6%, which is more than twice the national average, and a poverty rate nearly double that of Mississippi, the poorest state in the Union; an International Monetary Fund report indicates that the Puerto Rican economy has seen virtually no growth since 1996; Puerto Rico's government has accrued a debt in excess of \$73 billion dollars; and

WHEREAS, there is wide consensus that costs associated with the Jones Act are a drag on the Puerto Rican economy and hinder Puerto Rico's ability to grow its way out of this economic crisis, made even worse by Hurricane Maria; and

WHEREAS, exemption from the Jones Act is not without precedent for United States territories as the U.S. Virgin Islands are exempt from the Jones Act; and

WHEREAS, failure to make Puerto Rico's waiver from the Jones Act a permanent exemption will further hinder the growth of Puerto Rico's economy as it struggles to recover from the devastation of Hurricane Maria, would constitute a dereliction of the federal constitutional obligation to promote the general welfare of its citizens-3.4 million of whom inhabit the island of Puerto Rico-and represents a concern for all Americans; and

WHEREAS, this resolution constitutes an emergency measure for the immediate preservation of public peace, property, health or safety, now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That this Council urges the United States Congress and the President to take immediate action in their federal relief efforts to assist the over 3.4 million United States citizens who live in Puerto Rico following the devastation of Hurricane Maria on September 20, 2017; and further calls upon the United States Congress to pass and the President to sign legislation allowing an economic hardship exemption for Puerto Rico from the Merchant Marine Act of 1920, commonly known as the "Jones Act".

Section 2. That the Clerk of Council is hereby directed to transmit copies of this resolution to the President of the United States and all members of the United States Congress.

Section 3. That this resolution is hereby declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its adoption and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

BC:rs
10/2/17

