

FEMA and the Government of Puerto Rico Establish New Agreements for the Reimbursement of Recovery Funds

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Guaynabo, Puerto Rico – The Federal Emergency Management Agency (FEMA) granted a request by the Central Office for Recovery, Reconstruction and Resiliency (COR3) to eliminate what is known as the “2019 Agreement”. This agreement directed the COR3 reimbursement processes since April 2019.

Effective today, those requirements are eliminated and COR3 will have sole responsibility for ensuring that all reimbursements meet the statutory, regulatory and programmatic requirements established by FEMA. This includes documentation supporting the completion of each project and full compliance with eligibility elements. The common goal is to avoid any de-obligation of funds.

During the Island's recovery, various fiscal controls have been put in place due to the magnitude of the effects of Hurricane Maria and the historic amount of funds earmarked for the island. From the beginning, a manual disbursement process was implemented that required a 100 percent review of documentation before applicants for FEMA's Public Assistance program could receive the allocated money. This process ended in April 2019 when the 2019 Agreement came into effect, with COR3 assuming more direct responsibility for the reimbursement process. Now, through this new decision, the restrictions of the 2019 Agreement are released.

“Puerto Rico's recovery is unprecedented. The number of projects approved so far represent a historic investment in the island of over \$25 billion. This joint determination highlights our commitment to the people of Puerto Rico and the strong sense of collaboration that exists,” said Federal Disaster Recovery Coordinator for Puerto Rico, José G. Baquero.

According to the Governor of Puerto Rico, Pedro R. Pierluisi, “this demonstrates the confidence and credibility that this government has earned. With this



increased flexibility, Puerto Rico is being treated equally alongside the rest of the states. I appreciate the work of COR3's Executive Director, Manuel Laboy, as well as the efforts of the rest of the government team. We will continue to work on other strategies to move forward in the rebuilding of our island.”

To ensure that federal funds are used for the purposes established between FEMA and the Government of Puerto Rico, the federal agency will continue to monitor samplings of transactions after funds are obligated. This is part of FEMA's fiscal responsibility to ensure that the federal investment on the island meets all parameters required by law. Likewise, the FEMA team will continue to provide support to COR3 to expedite the reimbursement process.

Manuel A. Laboy Rivera, Executive Director of COR3, said that “this allows COR3 to streamline and make its disbursement processes more flexible as long as it continues to comply with the federal provisions that apply to us. This is a great step forward and we thank the federal agencies for trusting this administration.”

To date, FEMA has allocated funds for over 8,500 projects as a result of Hurricane María. Of these, more than 6,600 are permanent work projects. To date, more than \$25 billion in FEMA funds move the island's recovery forward.

FEMA works with COR3 through the agency's Public Assistance program to obligate recovery funds to private nonprofit organizations, municipalities and Puerto Rico government agencies.

To access more information on the recovery of Puerto Rico from Hurricane María, visit fema.gov/disaster/4339 and recuperacion.pr. Follow us on social media at Facebook.com/FEMAPuertoRico, Facebook.com/COR3pr and [Twitter @COR3pr](https://Twitter.com/COR3pr).

