

2025 FEDERAL **POLICY SERIES**

Puerto Rico



hispanicfederation
C♥N PUERTO RICO

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INTRODUCTION

The 119th Congress and the new Administration have triggered dynamic and often forceful debates on the direction of national policy. From economic opportunity to immigration to health care, these debates are poised to trigger drastic reorganizations of American life in ways that are likely to influence Latino communities in particular. At a time when Latino issues are front and center, Hispanic Federation's summer policy series provides an opportunity for decision-makers across the federal landscape to hear directly from the Latino community regarding their values and policy priorities. The 2025 Federal Policy Series will focus on nine issues important to Latinos across the United States, with standalone chapters published throughout the summer, each addressing a specific challenge faced by the Latino community.

As the nation's premier Latino nonprofit membership organization, Hispanic Federation works directly with its network of 850 organizations across 43 states and territories, including Puerto Rico, the District of Columbia and the US Virgin Islands; the policy proposals outlined in this series are reflective of this depth of community experience.

Hispanic Federation's greatest strength lies in its deep roots in Latino communities and relationships with grassroots leaders, nonprofits, public officials, policymakers, media, small business owners, and private sector leaders. Our policy and advocacy work aims to advance Latino opportunity and equity by focusing on three pillars: Civil Rights, Justice, Equity, and Empowerment. Our methodology in driving policy change is to work with community on the ground to identify inequities and develop solutions. Latinos are a dynamic and diverse population that is actively reshaping the course of this nation. Latinos/Latinas/Latines/Latinx can be Black, White, Indigenous, Asian, Arab and/or Mestizo, among other ethnicities. As such, the recommendations embedded within our summer policy series are wide-ranging, covering everything from civil rights to housing, and outline proposals grounded in research and experience to support communities from rural farm workers to urban businessowners and everyone in between.



2025 FEDERAL POLICY SERIES:

Puerto Rico

POLICY OVERVIEW

Since 2017, Hispanic Federation has been a leader on the ground in Puerto Rico and a constant advocate in DC working towards a just, sustainable recovery from Hurricane Maria and subsequent disasters for the archipelago's 3.2 million residents. The purpose of this report is to present Hispanic Federation's federal policy priorities for Puerto Rico to promote a participatory dialogue between federal officials and the network of community-based, non-profit organizations that HF has worked with to identify these priorities.

**OUR WORK IS GUIDED BY THE
PILLARS OF HUMAN RIGHTS,
SUSTAINABILITY, RESILIENCE,
JUSTICE, AND EQUITY.**

Given the complexity of Puerto Rico's economic, social, and environmental challenges, we have adopted a holistic approach prioritizing the following federal policy areas:

- **Economic Development:** We work to promote long term economic development that will effectively balance economic opportunities with social and environmental interests. We prioritize economic development driven by the community, small businesses, and equitable access to local and federal funding.
- **Planning and Community Development:** We work to promote sustainable development, protect the right to housing, avoid displacement, and guarantee access to critical services in communities.
- **Democracy and Civic Engagement:** We strive to promote participatory, transparent, and data-based policy decision-making that respects the will of the people and fosters accountability and effective, fair use of public resources. We aim to promote and strengthen fair and free elections.
- **Agriculture and Food Security:** We work to strengthen food security, increase local production, protect the right to food, support small farmers and fishers, reduce imports, and minimize the environmental footprint of agriculture.
- **Energy and Critical Services:** We work to guarantee fair and equitable access to energy and other critical services in the most vulnerable communities, with the main goal of saving lives. We support Puerto Rico's goal to transition to 100% renewable energy and advocate to prioritize distributed solar energy that fosters resilience and energy justice.

Our work is guided by the pillars of human rights, sustainability, resilience, justice, and equity. Simultaneously, we promote essential mechanisms for good governance and accountability, such as transparency, public participation, and access to public information.

This report details Hispanic Federation's Puerto Rico federal priorities in each of the above policy areas.

KEY FACTS AND DATES IN PUERTO RICO HISTORY:

1898

Puerto Rico becomes a territory of the USA as a result of Spanish-American War.

1917

All Puerto Ricans are granted US citizenship.

1901-1922

The US Supreme Court decided Insular Cases holding that the US Constitution does not apply in full to "unincorporated" U.S. territories, like PR.

1948

The US permits Puerto Rico to democratically elect its Governor.

1952

Puerto Rico ratifies its constitution and is established as a US commonwealth.

1960-1970

Puerto Rico's economy shifts from agriculture to manufacturing, transforming the archipelago.

1981

Puerto Rico loses SNAP benefits and transitions to a block grant known as the Nutrition Assistance Program (NAP).

2016

Puerto Rico approached a financial crisis with the inability to legally service or restructure its debt. Congress imposes a federal Financial and Oversight Management Board (FOMB) on Puerto Rico. The FOMB is deeply controversial because it curtails Puerto Rico's self-governance and internal democratic processes.

2017

Hurricanes Irma and Maria devastated Puerto Rico, causing the longest blackout in US history and the death of more than 3,000 people.

KEY FACT

Puerto Rico pays federal taxes, including Medicare, Social Security, self-employment, unemployment, and customs taxes.¹

KEY FACT

Approximately 70,000 veterans live in Puerto Rico where they are ineligible to receive the same benefits as veterans living in the states.

KEY FACT

All people born in Puerto Rico are US citizens.

SITUATION REPORT

Since hurricane Maria in 2017, Hispanic Federation's priority in Puerto Rico has been to support a just and sustainable recovery for its **3.2 million residents**. To that end, we have invested \$57 million in private, philanthropic funding and collaborated with more than 166 community based, non-profit organizations on programs, projects and initiatives to build a stronger, more resilient Puerto Rico together. We strive to amplify the voice of historically marginalized communities and support, train, and accompany local organizations that promote human dignity, community progress, and work towards a more equitable society. See our report, [Building a Stronger and More Resilient Puerto Rico, Hurricane Maria: A Five-Years Update, September 2022](#).

The historical and current reality of Puerto Rico demands each public policy issue be addressed by confronting the political, social, and economic inequalities that have intensified the vulnerability of its residents, especially during natural disasters and emergencies, stalled sustainable development, and deepened the injustices that occur as a result. Puerto Rico has not recovered from the catastrophic onslaught of Hurricane Maria, and has since faced hurricanes, earthquakes, tropical storms, floods, and a global pandemic. Economically, residents struggle with a poverty rate of approximately **40 percent**, a median household income of just over **\$27,000** — lower than any US state² — austerity measures imposed by a non-elected federal Financial Oversight and Management Board, and limited access to federal resources. Among other things, the lack of parity in federal programs and benefits, including those designed to address the needs of low income and vulnerable populations such as the Supplemental Nutrition Assistance Program (SNAP), Medicaid, Child Tax Credit (CTC), and Supplemental Social Security (SSI), serve to exacerbate these challenges, year after year.

Unfortunately, this social, environmental and economic tension has forced many families to make the difficult decision to leave Puerto Rico for the states and is a critical factor in preventing Puerto Ricans in the diaspora from returning. Over the last decade, Puerto Rico has experienced a dramatic 11.8 percent decline in population from 2010 to 2020,³ with a further 2.4 percent decline from 2020 to 2023.⁴ These statistics reflect the lived reality of more than 100 years of systemic discrimination against Puerto Rico by the federal government.

**THESE STATISTICS
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PUERTO RICO BY THE
FEDERAL GOVERNMENT.**

ASKS AND OPPORTUNITIES

Economic Development

- **Parity and equity in all federal anti-poverty programs**, such as SNAP, Medicaid, CTC, and SSI.
 - Achieve **Puerto Rico's transition from "NAP to SNAP" in the 2025 Farm Bill**: For more than 40 years low-income families, children, senior citizens, and veterans in Puerto Rico have been systemically excluded from SNAP, intensifying poverty and food insecurity in the archipelago. On average, American citizens in Puerto Rico receive 40% less nutrition benefits than the benefits received under SNAP in 48 states and D.C. Under the NAP block grant, Puerto Rico's nutrition aid and program enrollment does not increase based on need as would be the case under SNAP. As American citizens, those living in Puerto Rico deserve the same access to vital funding for nutrition programs. **Hispanic Federation urges Congress to pass either the Puerto Rico Nutrition Assistance Fairness Act (HR 5168) or to include language advancing Puerto Rico's Transition from NAP to SNAP within the 2025 Farm Bill to correct the inequities forced on Puerto Rico since 1981.**
- **Prevent the reduction of Medicaid funds in 2027**: Medicaid in Puerto Rico has been woefully underfunded for decades. The consequences of this historic inequity can be seen in Puerto Rico's deteriorating health care infrastructure and has contributed to the archipelago's ongoing economic and public health crisis. **Hispanic Federation demands that Congress intervene to prevent a massive reduction in Medicaid funds to Puerto Rico in 2027.**
- **Parity for the Child Tax Credit**: The enhanced Child Tax Credit has proven incredibly successful at reducing poverty throughout the United States. However, residents of Puerto Rico are subjected to harsher terms than those residing in the rest of the United States. **As such, Hispanic Federation asks Congress to change the Child Tax Credit parameters so that there is parity for taxpayers who reside in Puerto Rico.**
- **Eliminate federal policies and bureaucratic barriers that prevent local nonprofit organizations and small businesses from accessing federal funds and programs.**
 - **Hispanic Federation enjoins federal agencies to eliminate cost-matching requirements for federal awards when the primary applicant is a nonprofit organization or eligible government agency**, and the projects primarily serve and directly benefit residents of low-income disadvantaged communities, US territories and/or tribal communities.
 - Furthermore, **we encourage Congress to add language to the Fiscal Year 2026 appropriations allowing direct disbursement of funds ("drawing down") to organizations with a positive track record of compliance, execution, and impact on communities.**

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Planning and Community Development

- Federal Disaster Emergency Response and Recovery
 - **Hispanic Federation urges the passage of legislation and appropriations to maintain and improve the Federal Emergency Management Agency (FEMA)**
 - In the face of future emergencies, there is an urgent need to reestablish Language Access policies in all emergency response and disaster recovery related agencies. **Hispanic Federation strongly recommends FEMA to translate the updated Individual Assistance Program and Policy Guide (IAPPG) into Spanish and any other relevant language for communities in the US.**
 - Together with FEMA we can expand local non-profit organizational capacity to prepare and support communities during disasters. **To support this goal, Hispanic Federation exhorts FEMA to preserve and expand the “PR FEMA Working Group” as a space for dialogue and collaboration between local non-profit organizations and FEMA.**
 - Likewise, **Hispanic Federation exhorts the Department of Housing and Urban Development (HUD) to create a “PR HUD Working Group” in direct collaboration with local nonprofit organizations.**

IN THE FACE OF FUTURE EMERGENCIES, THERE IS AN URGENT NEED TO REESTABLISH LANGUAGE ACCESS POLICIES IN ALL EMERGENCY RESPONSE AND DISASTER RECOVERY RELATED AGENCIES.

Democracy and Civic Engagement

- **Hispanic Federation demands Congress pass legislation sunsetting the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) and the Financial Oversight and Management Board, concomitant with a transparent and independent review of the board's actions and ensuring a responsible transition of control and information to the government of Puerto Rico.**
- We advocate for the elimination of barriers that prevent our communities from being counted in the 2030 CENSUS. Additionally, **Hispanic Federation encourages the Census Bureau to obtain better economic data about Puerto Rico and to ensure that Puerto Rico is included in the “American Housing Survey.”**
- **Overrule the Insular Cases that legally support the federal government's systemic discrimination against Puerto Rico.**
- **Reestablish Language Access policies in all federal agencies.**

Energy and Critical Services

- Maintain and increase support from relevant federal agencies (DOE, EPA, FEMA and HUD) to achieve the transition to 100% renewable energy, prioritizing solar energy that promotes resilience and energy justice in Puerto Rico. To that end, **Hispanic Federation asks Congress to reestablish and protect federal renewable energy tax credits and expand access to PR.**

Agriculture and Food Security

- **Hispanic Federation demands that USDA and NOAA increase the provision of resources and technical support to farmers and fishermen in Puerto Rico.**
- **Hispanic Federation demands that Congress pass legislation repealing the Jones Act which causes undue burdens on shipping and the price of goods and services.^{5,6}**

CONCLUSION

Puerto Rico's relationship with the United States must be guided by the principles of respect and human dignity. Therefore, Puerto Rico's ongoing disaster recovery and sustainable development efforts should be effectively supported by the federal government. Among other things, ensuring parity and equity in all federal anti-poverty programs, respecting Puerto Rico's goal to transition to 100% renewable energy, and providing language access in federal programs and services are essential policies moving forward.

Each step of the way, Hispanic Federation has worked alongside our community based and nonprofit organizations network in Puerto Rico. Also, we believe that working collectively with Puerto Rico's government, federal agencies, and other diverse stakeholders will achieve balanced and effective policy changes and decision-making. As a leading organization in the US with significant impact on the archipelago, we reaffirm our commitment to collaborate with the federal government in everything that promotes Puerto Rico's well-being and reassures its citizens' strengths and dignity.

DATA SUPPORTING ASKS

Economic Development

- For decades, U.S. citizens in Puerto Rico receive unequal treatment when it comes to funding for lifesaving federal programs such as Medicaid, SSI, SNAP and CTC.
- Puerto Rico previously participated in the SNAP program; however, in 1981, Congress placed the archipelago under a federally capped block grant, known as the Nutrition Assistance Program or NAP.
- Currently, the SNAP maximum monthly benefits in the states/D.C. average 40% higher than NAP benefits in Puerto Rico. Likewise, the SNAP benefits are 100% higher in the U.S. Virgin Islands and Guam.
- The Federal Medical Assistance Percentage (FMAP) in Puerto Rico is statutorily set at 55 percent, and even though there is currently an increase to 76 percent through September 2027 (P.L. 117-328), the Puerto Rico FMAP would revert to 55 percent if no additional Congressional action were taken before the end of 2027. This statutory rollback cannot be permitted to pass.⁷
- More archipelago residents have migrated to the U.S. mainland in the 5 years from 2010 to 2015 than at any time since the Great Puerto Rican Migration after World War II.

Energy and Critical Services

- Puerto Rico law mandates a complete transition to 100% renewable energy by 2050.⁸

Agriculture and Food Security

- Food in Puerto Rico costs twice as much as it does in Florida. The Jones Act does not apply exclusively to Puerto Rico and also makes goods shipped to states like Alaska and Hawaii more expensive. Efforts to exempt Puerto Rico from the law, even in times of crisis, have been short lived.⁹

Endnotes

- 1 Espacios Abiertos. Does Puerto Rico Really Not Pay Federal Taxes? <https://espaciosabiertos.org/facts-does-puerto-rico-really-not-pay-federal-taxes-a-common-misconception/>
- 2 https://data.census.gov/profile/Puerto_Rico?q=040XX00US72#income-and-poverty
- 3 <https://www.census.gov/library/stories/state-by-state/puerto-rico.html#:~:text=Puerto%20Rico%20Population%20Declined%201.8%25%20From%202010%20to%202020&text=America%20Counts%20today%20launches%20a,your%20county%20on%20one%20page>. (Accessed 5/2/25).
- 4 <https://www.census.gov/quickfacts/fact/dashboard/PR.sanjuanmunicipiopiueritorico.sanjuanzonaurbanapuertorico> (Accessed 5/2/25).
- 5 <https://www.hispanicfederation.org/wp-content/uploads/2024/07/Take-Action-PR-Toolkit-2022.pdf> (Accessed 5/2/25.)
- 6 https://cdn.prod.website-files.com/60f311e9e2e57d523d28bba2/66f6dc7b90950f3fe5c409ca_2014-Nuestra_Agenda.pdf (Accessed 5/2/25)
- 7 See: [2024 Annual Report to Congress Public Law 117-328: Consolidated Appropriations Act, 2023, Government of Puerto Rico, Department of Health, Puerto Rico Medicaid Program, October 2024](#). (Accessed 5/2/25.)
- 8 <https://bvirtualogp.pr.gov/ogp/Bvirtual/leyesreferencia/PDF/2-ingles/17-2019.pdf> (Accessed 5/2/25).
- 9 <https://www.hispanicfederation.org/wp-content/uploads/2024/07/Take-Action-PR-Toolkit-2022.pdf> (Accessed 5/2/25.)



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