



Financial Oversight and Management Board for Puerto Rico

PRESS RELEASE

For Immediate Release

OVERSIGHT BOARD MAKES FIRST PROMESA SECTION 205 RECOMMENDATION ON PUBLIC CORPORATION BOARD INDEPENDENCE

(San Juan, PR – August 28, 2017) – The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board” or the “Board”), created by Congress under the bipartisan Puerto Rico Oversight, Management and Economic Stability Act (“PROMESA”), today sent a letter to the Governor and the Legislature of Puerto Rico making its first section 205 recommendation under PROMESA. The recommendation concerns the importance of independent public corporation boards and ensures compliance with the Puerto Rico Electric Power Authority (“PREPA”) and the Highway and Transportation Authority (“HTC”) Fiscal Plans.

“Board independence free from political control and influence will promote management responsibility and efficiency at public corporations and instrumentalities. Truly independent boards will also strengthen governance, enhance credibility and attract much-needed investment that is critical for the transformation of the Island’s economy,” said Natalie Jaresko, executive director of the Oversight Board.

“Members of boards and governing bodies should pursue the policies and take the actions that they determine, in their expert judgment, are in the best interest of their respective institutions. At the same time, implementing our recommendation would leave the boards and governing bodies accountable because members could still be removed by the Governor for cause,” Jaresko added.

A copy of the letter can be found [here](#).

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