



SCOTT FITZGERALD

WISCONSIN STATE SENATOR

SENATE MAJORITY LEADER

May 31st, 2016

Speaker Paul Ryan
Members of the Wisconsin Delegation
United States House of Representatives
1233 Longworth House Office Building
Washington, D.C. 20515-4901

Dear Speaker Ryan and Members of the Wisconsin Delegation:

I write today to applaud you, Congressman Duffy, and Congressman Sensenbrenner for their leadership on HR 5278, the Puerto Rico Oversight, Management, and Economic Stability Act. As the Wisconsin Senate Majority Leader, committed to sound fiscal policy, I believe the bedrock of any solution should be restoring responsible fiscal management and economic policy that restores growth in the Commonwealth and does so with no federal dollars for a bailout.

Below are some of the legislation's key measures that I find most promising:

- Limiting restructuring to U.S. Territories (No Chapter 9 or "Super Chapter 9") so as to avoid changes to the bankruptcy code and eliminate the risk of contagion to Wisconsin and other states and municipalities.
- Establishing fiscal oversight to assist in developing sound fiscal plans, making tough choices, and rationalizing expenditures and debt service to sustainable levels.
- Encouraging private agreements where possible and mandating mediation between counterparties before entering a restructuring.
- Relying on established bankruptcy case law precedents so that any restructuring authority maintains familiar concepts of established bankruptcy law & precedent and upholds inter-creditor agreements, property rights, and the "fair and equitable" treatment of creditors.
- Stemming emigration and restoring economic growth by ensuring that any law includes growth measures and is thoughtful in its treatment of pensioners & seniors whose spending remains critical to economic growth on the island.

STATE CAPITOL

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Fellow conservatives and I encourage your support as delays or inaction will only contribute to the likelihood of a bailout down the road.

Thank you for the consideration of this letter and for your continued vigilance in serving our country and our fellow citizens.

Sincerely,

A handwritten signature in black ink that reads "Scott Fitzgerald". The signature is written in a cursive style with a large, prominent initial "S".

Scott Fitzgerald
Senate Majority Leader
Wisconsin

CC: Congressman Duffy, Congressman Sensenbrenner