

National Puerto Rican Coalition expects the new Congress to reverse corporate welfare utilization of Rum funds

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Washington, D.C. – The National Puerto Rican Coalition (NPRC) announced today that it will advocate for the new congress to designate all Rum Cover Over funds to help reduce healthcare and education disparities for the territories. The Rum Cover Over program was originally designed to address the social welfare of the territories.

The actions by the government of the US Virgin Islands to give British owned company Diageo a \$6 billion corporate welfare subsidy has prompted Puerto Rico to defend its rum industry by increasing its corporate subsidy from 10% to 25%, and a potential future increase of up to 46%, which places at risk the future of the rebate program.

“We told the current Congress and the Administration that their act of omission on placing a cap of 10% on any corporate subsidy would initiate cannibalization of the program, the irresponsible actions by the Governor of the US Virgin Islands supported by Congresswoman Donna Christensen and Ways and Means committee past chair Charlie Rangel has forced the government of Puerto Rico to act in self defense in order to prevent further unemployment and economic turmoil,” said NPRC Chairman Miguel Lausell. “If the program will become another corporate welfare scheme then we should reconsider its purpose to exist during these times of fiscal hardship.”

“We hope the new congress bring forth more fiscally responsible actions in order to limit what clearly has become a corporate welfare program for rum producers, foreign and domestic,” said NPRC President & CEO Rafael Fantauzzi. “Thanks to the US Virgin Islands, members of Congress that seek to find and eliminate government waste will be able to notice at least \$529 million yearly from the Rum Cover Over program to cut. Governor deJongh, Congresswoman Donna Christensen, Congressman Charlie Rangel, and Diageo should be held accountable for their corporate welfare ploy.”

In the past 33 years, the National Puerto Rican Coalition (NPRC), a non-profit non-partisan organization, has emerged as one of the most respected and effective organizations advocating for the concerns of the Puerto Rican community. NPRC's mission is to systematically strengthen and enhance the social, political, and economic well-being of Puerto Ricans throughout the United States and in Puerto Rico with a special focus on the most vulnerable.

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WHERE :

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